THE FINANCIAL POST
OF CANADA

A weekly newspaper aiming to present to the public in a popular manner, accurate information relating to the financial interests and the legitimate investments of Canada.

PUBLICATION OFFICE—10 FRONT STREET, EAST, TORONTO

VOL. I. SINGLE COPIES, 10 CENTS. MONTREAL, TORONTO, WINNIPEG, FEBRUARY 16TH, 1907 ANNUAL SUBSCRIPTION, $3.00. No. 6

THE GREAT COMPANY

EXCITING INCIDENTS IN ITS MARKET ANNALS.

The Interest of Hudson's Bay Stock—Three Very Pyrotechnical Advances—When the Shares Crossed 50—Mr. Jefferson Levy's Appearance in the Market—The Sensational Rise in August, 1905—Lord Strathcona Announces He Will Never Sell His Shares, No Matter What Price They Reach.

The market history of the Hudson's Bay Company for the past three years is a story of exciting incidents. There were brief periods when men who held the shares saw a fortune accumulate almost over night. It is the great uplifts of which the stock has been capable, added to its great and almost unknown possibilities, that make Hudson's Bays the most interesting security on any market apart from its remarkable history and the romantic elements in its annals that now spread over a period of 230 years.

In 1903 the land sales of the Great Company reached a record quantity and price, no less than 368,678 acres being sold for £428,754 and the sale of town lots was £141,114, making altogether £569,868. This was the banner land year of the company and was not equalled in the great boom of the early eighties, nor has it been passed since that time. The return of £2 of capital with a dividend of £1. 2s. 6d, has sent the market price of stock in 1903 as high as 45½, from which it receded in the earlier months of 1904 to as low as 35½.

Land Sales Lessen.

In 1904 the farm land sales were just one-half of the previous year—180,414 acres, but the price per acre was a little better, averaging £1. 5s. 3d; the town town lots realized £52,541, making a total of £280,614. The cash receipts from land were, however, better than in the previous year, being £247,583. Lord Strathcona pointed out at the general court that the Dominion Government had been making extensive surveys in Saskatchewan and Northern Alberta and that 500,000 acres would fall to the company as its share of these surveys.

The capital was then reduced to £10 by the payment of £1 on capital, with a dividend of £1. 15s. The stock which had been under £36 early in the year, had advanced to £40 in April and remained steady at that price until July, when in the first week it passed £41; by September 30th it had advanced to $42. Another gradual rise began and it was at this period that

Mr. Jefferson Levy

appears to have placed great confidence in the future prospects. Subsequently he became the most active bull in Bays but at this time when he expressed his belief that Bays within a few years would sell at £150, he was jeered at. In October the shares had started, however, on the movement which seems destined to fulfill that prophecy. It was at this time that the shares became very active. On October 18th they sold at 49⅞ and hovered close to the half century mark the rest of the month, experiencing a slight recession in the first two weeks of November Bays began this Autumn to be one of the most prominent issues on the London Exchange and have continued in that position every since.

A Pyrotechnical Rise.

It was at the November end settlement that Bays crossed 50. On Monday, Nov. 28, they reached 50⅛ and on Thursday, Dec. 1st, they were as high as 52 3-16 on large transactions. They went as high as 54⅜ in December and closed the year 1904 around 53.

In mid-February, 1905, the shares rose to 57 and Bays witnessed a few days later one of those pyrotechnical advances which have made the stock the most exciting gamble of any on the market, for it is to be remembered that pounds not dollars are the prices and each rise of one pound is equivalent to a rise of five points on American markets, where the dealings are on the decimal basis.

On Feb. 27th, 1905, the shares opened at 57½, closing at 59½. Next day they closed at 60½, the third day at 65⅝, owing (according to the London Times) to the buying on German and American account. On the fourth day, Thursday, March 2, the shares reached 73¼, closing at 72½. Thus in four days the shares had advanced £16, or 80 points. The bears had been caught over the settlement, but the quotations did not recede and the bargains marked, as transactions made are termed, were very numerous for a stock of this nature and price. On March 3rd the shares rose to 74 and remained tolerably steady around 73 until the end of the month, when they reached to 70. For the next three months, April, May and June, the quotations varied between 70 and 72. This year a dividend of £2. 18s, of which 10 shillings was interim in January, was paid. Farm land sales of 114,298 acres for £145,094 and town lot sales for £25,214 were reported. The receipts from the land department, where £235,-740, or a little smaller than the previous year. The suggestion was made to the governor at the general court that the shares might be split but Lord Strathcona did not see the necessity in view of the fact that the shares seemed quite saleable at present.

Lord Strathcona Won't Sell.

He added that he had never sold and had no intention of selling any of his shares, no matter what their price might go to; but it did appear to him that the price had risen to a pretty high figure now. The shares were selling ex-dividend in July at a fraction over 67, going down to 65 and advancing as high as 70.

Another Speedy Advance.

In August occurred another remarkable, speedy and brilliant advance. One example may be quoted: On the 14th shares were bought in Toronto at 71½. On the 24th another lot was bought at 77¼, and the purchaser went on a week-end holiday in the country, and when he returned on the following Wednesday he found the shares selling as high as 93, but 89 was the highest officially recorded. Thus in a week he had a profit of over 60 points. The shares receded quickly to 78 and remained around 80 for the rest of the year. In 1906 the shares moved for the first six months between 80 and 86, remaining quiet and steady. On Aug. 1st they were at 84. By the end of August they were 90; by the end of September 97; by the middle of October 100; and on Nov. 13th the shares were sold at 119. On Nov. 16 the highest price recorded was 129½, but transactions took place at 130. In three days the rise was equal to 50 points and in a month the gain had been 150 points. The stock receded almost as quickly from this high point as it had advanced and in a few days was at 120 again. Since then in the general decline it has suffered and sold down to 107½, but is again retracing some of the lost ground and is now quoted around 112½.

SHAWINIGAN POWER CO.

Its Annual Statement Discloses a Rapidly Increasing Growth.

Shawinigan Water and Power Company has made an admirably full statement of its condition in its annual report just issued.

Gross revenue for 1906 amounted to $362,396. Operating and general expense came to $43,154. This is only 12 per cent. of gross earnings, and makes the excellent reduction of 4.8 per cent from the percentage for the previous year. Steadiness of gross revenue from long time contracts and the rapid decrease of the percentage of operating expense as gross revenue expands makes strongly for the stability and value of hydraulic-electrical undertakings.

Earnings have increased steadily. The annual rate of income Jan., 1905, was $235,994. In Jan., 1906, it was $322,-[illegible]. For January of this year it was at the rate of $500,000, an increase of $178,000, or 55 per cent. over that of a year ago.

Capital stock outstanding is $6,500,-000; treasury stock, $500,000. Bonds (5 per cent.) outstanding are $4,500,-000 of an authorized issue of $5,000,000.

Difficulty in securing electrical equipment on the part of power purchasers owing to the present flooding of electrical manufacturers with orders has delayed the Shawinigan Company in delivering power. Income from such delayed contracts would somewhat increase present revenue.

If the remaining $500,000 bonds should be issued to take up floating indebtedness, then after fixed charges and allowing for operating expenses 12 per cent., the percentage for 1906, earnings are now at the rate of nearly 3 per cent. on the common stock. Looking at earnings from the standpoint of the bonds, present net earnings amount to nearly 180 per cent. of the bond interest. With the fact that income is steadily increasing this places the bonds on a thoroughly substantial investment basis. They should be a good purchase to yield 5 per cent. at the present price about par. The stock equity back of the bonds at the present price of about 40 amounts to $2,600,000.

Additional contracts have already been made to the extent of 5,000 electrical h.p., and further contracts are in negotiation. Northern Aluminum Company, operating by water from the Shawinigan Company, is largely extending its works and will be the largest aluminum plant in the world. The North American Cotton Company, conencted with the Dominion Textile Co., of Montreal, will build next spring at the Falls, and will become at once a large consumer of power. The other manufacturing concerns employ male help, but the cotton company will employ female hands. The population increased last year approximately 1,200, and as the town grows the company's large land holdings will become more valuable.

Canadian General Electric.

As suggested in the Post three weeks ago, the possibilities of the electric locomotive are likely to furnish a considerable source of revenue in the future to the Canadian General Electric Company. It has already received its first order, being from the Shawinigan Falls Terminal Railway, which forms a connecting link between the Canadian Northern and the St. Maurice Valley Railway Systems. The order is for a 600 h.p. locomotive which will be operated from the alternating current single phase lines of the Shawinigan Water and Power Company, for the purpose of moving freight cars as required by the large factories located there. The operation will be watched closely by Canadian railroad men.

Nova Scotia Steel.

An announcement of the dividend policy in Nova Scotia steel may be looked for very shortly. There is a directors' meeting on Monday.

STOCKS DISAPPEARING

GRADUALLY GOING FROM THE STREET INTO STRONG BOXES.

Amount Carried on Margin Has Decreased 50 per cent.—Publicity a Great Virtue—The Favorable Annual Reports—An Expert's General Review of the Situation.

To Canadian investors this is an all important time of the year—the period of annual meetings and statements—and after a bumper year, such as 1906 just closed, the facts of the year's business afford gratifying reading to those interested. In quick succession, Montreal Street, Sao Paulo, Mexican Light, Toronto Street, Detroit Street, Twin City, Richelieu & Ontario, Halifax Electric and others have issued reports showing uniformly record results, from which it is easy to deduce the conclusion that the stocks represented have during the past year added largely to their book or intrinsic value. Practically all strictly Canadian Companies have for a long time past been showing not only very favorable results, but earnings year by year appear to be on a rising scale in about the same proportion as the increase in population and wealth of the country. Our leading companies have clearly long passed the experimental stage and have become permanent investments of the most settled character, but with the added feature of great speculative possibilities, in that they have to do with the "country of the 20th century."

A glance at the commercial and financial history of Canada for the past dozen years reveals the fact that there has been but one collapse of a large corporation in that time and this was in connection with a business, which, at the same period, suffered similar reverses in other countries, viz., the cycle.

In Montreal, here, it has been for some time evident that the stocks of our standard companies are gradually disappearing from the "street" and passing into the strong-boxes of investors. A canvass of the offices of members of the Montreal Stock Exchange would probably reveal the truth that in half a dozen years the amount of the above stocks carried on margin has decreased nearly 50 per cent. No doubt in Toronto the same story could be told. This state of affairs must result in a gradual appreciation in the price of many of our first-class securities, just as has been the case with the Canadian Pacific. For some time a similar state of affairs has been apparent in the case of the old long-established American stocks. In many of these, dealings have almost ceased, and it is quite impossible to purchase any considerable amount, and the prices have correspondingly appreciated.

Publicity of earnings, publicity of condition, of acts and results, appears to be the best modern weapon of offence and defence for corporations. While, of course, companies, which show large earnings in the most candid way, are frequently attacked with a view to compelling the division of some part of these among the commonwealth, it is more frequently found that large corporations, which do not give out any regular statements, are accused of concealing gigantic earnings and are in consequence the receipients of the bitterest kind of attacks. The largest corporation in the world, viz., the United States Steel Corporation, owning as it does over 75 per cent. of the ore lands of America, and thus having in its power the ability to commit the most tyrannous acts, appears by its policy of conciliation and publicity to have less enemies, both public and private, than many concerns of insignificant size. Compare the position in the public eye of this corporation and of the Standard Oil, and yet it is probable that the steel company is to-day larger and more powerful than the Standard Oil, and might easily have become as detestable.

In Canada nearly all the most important companies have adopted a straight-forward policy of publicity of earnings and condition, and the value of this is apparent on a day of panic or depression when the first idea is to throw over stocks, because of a feeling that the bottom is bound to drop out of things. Then it is that a glance at a company's profits and a few moments' consideration fortifies the holder of stocks against insane selling.

Many Canadians fondly hoped—and perhaps have not yet given up entirely—that the Mackay Company, when it removed itself from "the curb" in New York, to the dignified halls of the Stock Exchange, would mark the event by a change of policy in the issuance of annual statements and particulars of earnings. Of course it is well known in the time of the Commercial Cable Company that the earnings of that company were of very ample proportions and it was often suggested that it would be well not to encourage competition, by holding up to the public eye the percentage earned on the investment. In the Mackay Company the combination of capital has become so large and so powerful that competitors are not to be feared, and this argument for secrecy of earnings is of no practical value. There is not the slightest chance that capital will combine for the purpose of opposing and competing with this powerful company. The only argument in favor of the present action of the company is personal to the directors and one that no one would seriously urge. viz., that the directors would use information for their personal benefit long before any idea could reach the shareholders.

THE SECURITY REVIEW

A MORE CHEERFUL SPIRIT PERVADES.

All Stock Exchanges—The Turn in the Tide—C.P.R., Soo and Mackays Show Up Well—The R. & O Figures—Toronto Electric's Statement—Notes on Leading Canadian Securities.

There has been a much more cheerful spirit in the stock exchanges during the past week and it is believed that the long-expected turn has come. The revival has not been felt so much on the Canadian exchanges as in New York and London. The leading Canadian securities, however, C.P.R., Soo, and Mackays, have all participated in the advance. Canadian Pacific is back to 186 and the quickness with which it can move upwards gives promise of regaining a fair proportion of its January decline. Soo common has re-acted most favorably and has gained 16 points from its low point of last week. Mackays have been strong and have exhibited a very fine front in the almost general debacle.

Application has been made by London banking houses to list on the London Stock Exchange £1,000,000 of 4 per cent. non-cumulative preference stock and £1,682,406 of 4 per cent. debenture stock of the Canadian Pacific Railway Co. One of these issues is presumed to represent the issues which the directors were noted as selling so favorably in London last week, and the two issues should add to the cash reserves of the company some $13,000,000 net. An application has also been made to list $5,-000,000 4 per cent. debenture stock of the Canadian Northern Railway.

The money situation in Canada continues unrelieved. No returns are as yet coming from the west in any quantity. The better weather conditions prevailing should result in funds returning shortly.

Richelieu and Ontario.

The Richelieu and Ontario Navigation Company is once more in the dividend column. Six per cent. was the rate from 1896 to 1903, in 1904 3 per cent. was paid, in 1905 nothing, in 1906 nothing until Dec. 1, when 1¼ quarterly was paid. At the annual meeting on Tuesday in Montreal an issue of bonds to the extent of $2,000,-000 bearing interest at not more than [illegible] per cent., the terms to be decided upon by the directors, was authorized This issue is to provide for new vessels and other equipment. The net profit for the year was $261,040, as compared with $239,294 in 1905. It has been distributed as follows:

Dividend, 1¼ Dec. 1	$39,150
Insurance fund	36,000
Written off	114,046
Balance	71,844
Total	$261,040

The previous surplus was $254,660, so that the total surplus is now $326,504. The balance sheet is as follows:

Assets		1906.
Steamers, real estate and buildings, docks, wharves etc.		$3,823,809
Coal, stores, provisions, etc.		102,252
Accounts receivable		23,380
Cash in bank and on hand		6,498
		$3,955,940
Liabilities.		
Capital stock		$3,132,000
Bonds, 5 p.c. sterling	$571,833	
Less cancelled	248,686	
		323,146
Accounts payable		132,688
Unclaimed dividends		216
Accrued fixed charges		5,385
Insurance fund		36,000
Surplus		326,503
		$3,955,940

The operating expenses were 79.70 per cent., as compared with 78.86 in 1905 and 88.64 in 1904. The company has a very valuable asset in its wharfages at various terminal points, notably Quebec and Montreal.

The growth of the company's tourist and local traffic between Montreal, Quebec and the Saguenay makes it necessary to at once provide additional and more modern accommodation. The steamer Quebec has, therefore, been lengthened, and is now being completely rebuilt and remodelled for this service at the company's yards at Sorel, and when finished will be virtually a duplicate of her sister ship, the Montreal.

The new rapids steams, the Rapids King, was successfully launched from the yards of the Canadian Shipbuilding Company at Toronto on Jan. 9th last, and every effort will be made by the directors to have these boats in commission for the opening of the tourist traffic the coming season.

The directors also have under consideration the building of a second rapids steamer, to be called the Rapids Queen.

Twin City.

In their weekly letter, Jaffray & Cassels say:

January earnings increased $45,000. These returns should give considerable confidence to holders that the dividend rate will be increased as soon as the question of taxation is settled by legislation. Investors in traction issues have first to consider the term of the franchise. On this point the Twin City's franchise is satisfactory. In our opinion earnings of traction issues should prove less affected than many others by any business reaction for in good or bad times, people will use the street cars.

Dominion Coal.

It is stated that the Dominion Coal Co. have 24 square miles of coal areas at Lingan. There are four seams, the famous, or infamous, Mullins, the Victoria, the Lingan, and the Barrachois. It is the first of these, and the first two particularly, that they are planning on opening up just now. They have already done some work and will sink trial shafts. These shafts may become permanent if everything turns out all right, but if not, the company will continue sinking until they get what they want It is the intention to work three collieries from the same bankhead. Slopes will be used altogether, being more economical. It will likely be the end of the year, and possibly later, before coal is being mined. It was two years after work was started at No. 6 before coal was got from it. The object of the company in opening up these new collieries, is, in brief, to reach a position where it can meet any possible increases in demand, and to provide for falling off in the output of collieries now in operation.

Halifax Electric.

The annual statement of the Halifax Electric Tramway Company for the year 1906 showed gross earnings of $387,-517.89 and net earnings of $141,808.52, or over 10 per cent. on the capital, which, added to the 1905 balance of $195,154.97, made a total of $336,963.49. Out of this dividends aggregating $81,-000 have been paid and interest deducted, leaving a final balance of $252,053.-33.

Toronto Electric Light.

The Toronto Electric Light Company shares in the profit from the growth of the city. A comparison for 1906 and 1905 of the principal features indicates:

	1906	1905	Inc. p.c.
Gross earnings	$899,578	$775,948	16
Op. expenses and interest	562,847	471,318	19.42
Net profits	336,731	304,630	10.53
Dividends	217,271	208,936	4
Balance	119,460	95,694	24.83
Total surplus	218,058	98,598	121.

Of the above surplus $200,000 has been transferred to the reserve account making the fund $500,000. The balance carried forward is $18,058. The new issue of stock should increase the total capital by $1,000,000. The capital stock paid up at the end of 1905 was 2,991,910. During the year 62,352 lamps have been installed and 2,000 horse-power of motors. With the introduction of power from Niagara Falls, it is expected that this increase will be materially exceeded during the coming year.

C. P. R.

At Monday's meeting the usual dividend was declared. The financial statement for the six months ending Dec. 31, 1906, shows a surplus of $6,600,000 after payment of expenses and dividends, an increase over 1906 of aproximately $1,800,000. The stock exhibited an easy revival on Wednesday, advancing at 186. The week accounts have been shaken out and C.P.R., with improvement in general conditions, will advance very easily. The decrease in gross earnings for the first week in February was $197,-000, the gross being $836,000.

"Soo."

The price movement of Soo common shows the pressure of forced selling relieved, and value now asserting itself. The recovery has been most marked since the meeting of the C.P.R. directors on Monday last. As the C.P.R. holds the majority of the Soo stock, it is not unreasonable to suppose the C. P.R. directors also considered what dividends should next be declared by the Soo company. The subsequent movement may be significant.

The earnings for the first week of February were $107,798, decrease $63,-797 or 36 per cent. The gross from July 1st is $7,523,334, and still maintains an increase of $371,839 over the corresponding period last year. The weather in the West has ameliorated. It will have caused the Soo line a considerable loss in net income, probably $500,000, but the surplus can stand it.

BANK CLEARINGS.

Montreal Shows the Largest Decrease For Some Time.

Bank clearings in Montreal and Toronto show a decrease this week, which in the case of Montreal, is the largest proportional decrease known for some time, being nearly thirty per cent. The inactivity in the stock market is largely the cause of this very considerable falling off. Quebec shows a slight defect from 1906, but in other cities business would appear to be very active.

Week ending Feb. 14th.

	1907	1906
Montreal	$22,645,246	$32,253,290
Toronto	21,539,375	22,092,625
Winnipeg	8,866,664	6,190,160
Ottawa	2,362,653	2,021,812
Vancouver	2,804,944	1,798,087
Halifax	1,696,521	1,470,412
Quebec	1,313,501	1,541,684
Hamilton	1,514,314	1,080,592
St. John	1,181,955	995,021
London	1,074,214	1,005,021
Victoria	942,704	795,138
Calgary	1,201,261	....
Edmonton	755,987	....

THE COBALT MINES

A FLUCTUATING MARKET DURING THE WEEK.

Nipissing Very Strong—Decline in Green-Meehan—The Ontario Government's New Legislation—The Principal News of the Week.

Cobalt stocks on the local exchanges this week have shown a declining tendency. The fluctuations in Foster and Trethewey have been considerable, and while they sold down on Monday and Tuesday, they recovered largely their losses before the end of the week. Green-Meehan has been the weakest spot on the curb. There was a large quantity of this stock distributed on the flotation of the company and as there was no protective pool and no great effort has been made of late to hold the quotations, it has sagged badly. Silver Queen has been steady and shows a slight gain on the week's transactions.

The announcement of the Ontario Government's expected legislation in regard to mines aroused considerable interest. Three bills were introduced as follows:

1. An act to encourage the refining of metals in Ontario.

This provides for bounties on metals or compounds when refined in the Province: On nickel ores, six cents per pound of free metallic nickel or nickel contained in nickel oxide, the total bounty paid not to exceed $60,000 per annum.

Six cents per pound to be paid on free metallic cobalt or cobalt contained in cobalt oxide, aggregate bounty not to exceed $30,000 per annum.

On copper ores 1½ cents per pound of free metallic copper or copper contained in sulphate of copper. On copper product carrying at least 95 per cent. of metallic copper ½ cent per pound. The total bounty not to exceed $60,000 per annum.

On white arsenic produced only from mispickel ores ½ cent per pound. Total bounty not to exceed $15,000 per annum. The bounties are paid only on one form of mineral and are not cumulative on nickel, cobalt, copper or arsenic. If the quantity refined calls for more than the total appropriation, the bounties will be divided pro rata.

The bounties will be paid only to companies prepared and willing to smelt and refine similar ores belonging to others.

2. An act to supplement the revenue of the Province.

This provides for a tax on the acreage of the properties in the unorganized districts and levies a tax on the yearly profits of all metalliferous mines above the sum of $10,000. The amounts of the taxes are yet to be fixed.

3. An act to amend the Mines Act 1906.

This is designed to make clear a number of sections in the statute of 1906.

Jaffray & Cassels in their weekly letter say:

"The mining share market has improved toward the end of the week. Our reports from Cobalt are most confident that substantial discoveries in the camp and in the surrounding districts will be announced in due course. A widening of the silver producing area would add to the permanence of the camp, and would stimulate the market for all Cobalt securities."

The strength of Nipissing during the week was very gratifying to those in the camp. There were many statements made at various intervals that the stock would go back to $6 or lower before it recovered, but yesterday this prospect seems to nave been exploded, for it sold on an active market in New York at 14. Its shipments for the first five weeks of the year were large, and while it may not have been of high value, the results are satisfactory.

The statement of defence filed by the Cobalt Lake Mining Co. in the action which the Florence Mining Company has brought to test the validity of the title says that the defendants in answer to the statement of claim say that the land in question under Cobalt Lake was not open for exploration at the time of the alleged discovery, under which the plaintiffs' claim was made, nor was the same of such a character that it could be explored and staked out within the meaning of the mines act.

That if the said lands were open for exploration then the said, Green, who is said to have made the discovery, did not observe the mines act in any respect, and neither did he, nor the plaintiffs, have any claim to the minerals in or on the lands.

The Cobalt Lake Company has begun the work of lowering the lake at the south. A dam has been thrown across and the water has sunk about three inches.

It is said that United States capitalists will build a railroad up the Montreal River. The charter has been obtained and the road will run through the Edison claim, and it is expected will reach the Lady Evelyn Lake, twenty miles up the river. This railway will run through the property of the Canadian Central mines.

George Leyson has left the Silver Queen and has been succeeded as superintendent there bv Robert A. Bryce. Mr. Bryce is a young Torontonian, who has had a successful and varied mining experience in the Eastern States and Mexico.

(Continued on Page Eight.)

BANK OF MONTREAL

(ESTABLISHED 1817)

Capital (all paid up), $14,400,000.00. Rest, $11,000,000.00. Undivided Profits, $159,831.84

HEAD OFFICE—MONTREAL

BOARD OF DIRECTORS

Rt. Hon. Lord Strathcona and Mount Royal, G.C.M.G., Honorary President; Hon. Sir George A. Drummond, K.C.M.G., President; E. S. Clouston, Esq., Vice-President; A. T. Patterson, Esq., R. B. Angus, Esq., E. B. Greenshields, Esq., James Ross, Esq., Hon. Robt. Mackay, Sir William C. Macdonald, R. G. Reid, Esq.

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F. J. Hunter, Inspector N. West and Br. Col. Branches. E. P. Winslow, Inspector Ontario Branches.

BRANCHES IN CANADA

Province of Ontario.—Alliston; Almonte; Aurora; Belleville; Bowmanville; Brantford; Brockville; Chatham; Collingwood; Collingwood (Ontario Bank Branch); Cornwall; Deseronto; Eglington; Fenelon Falls; Fort William; Goderich; Guelph; Hamilton; Hamilton, Sherman Ave.; King City; Kingston; Kingston (Ontario Bank Branch); Lindsay; Lindsay (Ontario Bank Branch); Millbrook; London; Mount Forest; Newmarket; Ottawa; Ottawa, Bank Street; Ottawa (Ontario Bank Branch); Paris; Perth; Peterboro; Peterboro (Ontario Bank Branch); Picton; Port Arthur; Port Hope; Sarnia; Stratford; St. Marys; Sudbury; Toronto—Front Street, Yonge Street, Wellington Street (Ontario Bank Branch), Queen Street (Ontario Bank Branch), Richmond Street (Ontario Bank Branch), Carlton Street (Ontario Bank Branch); Trenton; Tweed; Wallaceburg; Warsaw; Waterford.

Province of Quebec—Buckingham; Cookshire; Danville; Fraserville: Grand Mere; Lake Megantic; Levis; Montreal—Head Office, Hochelaga, Ontario Bank Branch, Papineau Avenue, Point St. Charles, Seigneurs Street, Ste. Anne de Bellevue, St. Henri, West End, Westmount; Quebec; Quebec, Upper Town; Sawyerville.

Province of New Brunswick—Andover; Bathurst; Chatham; Edmunston; Fredericton; Grand Falls; Hartland; Moncton; Shediac; St. John; Woodstock.

Province of Nova Scotia—Amherst; Bridgewater; Canso; Glace Bay; Halifax; Halifax, North End; Lunenburg; Mahone Bay; Port Hood; Sydney; Wolfville; Yarmouth.

Northwest Provinces—Altona, Man.; Brandon, Man.; Calgary, Alta.; Edmonton, Alta.; Indian Head, Sask.; Lethbridge, Alta.; Oakville, Man.; Portage la Prairie, Man.; Raymond, Alta.; Regina, Sask.; Rosenfeld, Man.; Saskatoon, Sask.; Winnipeg, Man.; Winnipeg, Fort Rouge; Winnipeg, Logan Avenue.

Province of British Columbia—Armstrong, Enderby, Greenwood, Kelowna, Nelson, New Denver, New Westminster, Nicola, Rossland, Sumerland, Vancouver, Vernon, Victoria.

IN NEWFOUNDLAND: ST. JOHN'S, Bank of Montreal. BIRCHY COVE, Bay of Islands, Bank of Montreal.

IN GREAT BRITAIN: LONDON, Bank of Montreal, 46-47 Threadneedle Street, E.C. (F. W. Taylor, Manager.)

IN THE UNITED STATES: NEW YORK (R. Y. Hebden, W. A. Bog, J. T. Molineau, Agents), 3 Pine Street. CHICAGO, Bank of Montreal (J. M. Greata, Manager). SPOKANE, Wash., Bank of Montreal.

IN MEXICO: MEXICO, D.F. (T. S. C. Saunders, Manager.)

BANKERS IN GREAT BRITAIN

LONDON, The Bank of England.
" The Union of London and Smith's Bank, Ltd.
" The London and Westminster Bank, Ltd.
" The National Provincial Bank of Eng, Ltd.
LIVERPOOL, The Bank of Liverpool, Ltd.
SCOTLAND, The British Linen Company Bank, and Branches

BANKERS IN THE UNITED STATES

NEW YORK, The National City Bank.
" The Bank of New York, N.B.A.
" National Bank of Commerce of New York
BOSTON, The Merchants' National Bank.
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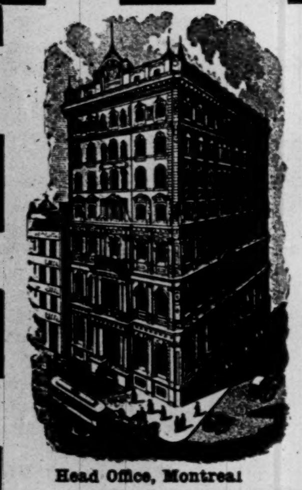
Head Office, Montreal

The Merchants' Bank of Canada

ESTABLISHED 1864

Capital Paid-up - - $6,000,000
Reserved Fund and Undivided Profits 3,674,596

118 Branches and Agencies in Ontario
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Special attention to collections

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Reserve Fund, - 3,000,000

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A. D. DURNFORD - Chief Inspector

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Capital Paid up - - - - - $1,000,000.00
Reserve Fund and Undivided Profits - $1,183,713.23

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Head Office: TORONTO
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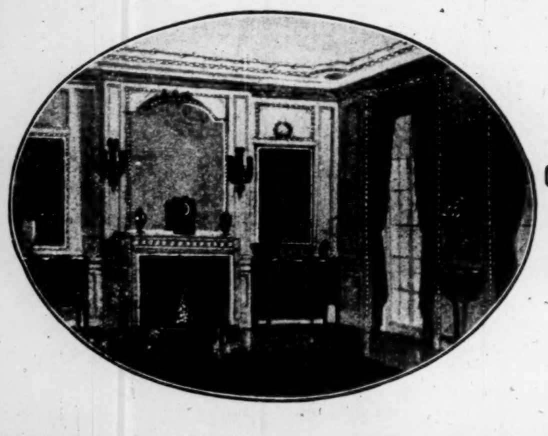

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BANK WINDOW DRESSING

THE PRACTICE IN ENGLAND AND ITS EXTENT HERE.

The Return Days in Three Countries—The Juggling With the N. Y. Bank Figures — The Canadian Banks' Views—The Statement of Specie and Legals.

Though "window-dressing" is a technical term, when applied to banks and other financial institutions, the expression conveys its own meaning so well that little is needed in the way of definition. When a shopkeeper "window-dresses" for a special occasion he puts on a brave show by displaying his best and finest goods seeking thereby to strike the impression on the minds of those who pass that the contents of his shop are generally of a superior quality. As to the truth of this people can usually satisfy themselves without great difficulty or trouble. All that is required is to go into the store and examine the articles in which they are interested. Any experienced purchaser can soon tell whether the general run of the shopkeeper's stock is equal to that part of it displayed in the window. With banks the case in different. The public is not permitted to go inside at any time and "examine the goods." Banks disclose their condition only at certain intervals. In Canada it is once a month; in the States it is at the call of the Comptroller of the Treasury, which comes five times a year at uncertain dates; in Great Britain some banks publish their accounts monthly, some half-yearly. Here at home Parliament has done what it could to ensure that the statements of the banks, when made, shall be right and true. Severe penalties are provided for bank officers who sign false statements. Toronto has just seen a bank general manager, a few months ago occupying a place of great honor and trust, sentenced to five years in jail for making false statements. A higher officer, the president of the same bank, only escaped punishment through the fact that the court decided that he signed the false documents in ignorance of their falsity. It is reasonably certain that the monthly statements of our banks are tolerably accurate. The risks attending untruthfulness, for those responsible, are too great for it to be much practised. Assuming that the statements are correct, then the question comes up: Are the banks as strong all through the month as they declare themselves to be on statement day? In other words, do they "window-dress" for the occasion?

In England just before the 31st of December in every year borrowers specially complain that they are put to considerable trouble by the window-dressing banks. The end of the calendar year is a general statement day there, and to make themselves as strong looking as possible some banks call their loans and hold cash till the advent of the New Year, when the loans are again increased and the cash holdings decline. To a lesser extent the same thing is said to happen at the end of each month. In his address at the annual meeting of stockholders held on the 23rd January, the chairman of a great London bank, the London and Westminster, thought it necessary to reply to the criticism levelled this year at the banks for their window-dressing operations. After stating that the bank would acquiesce in any reasonable change, such as monthly returns, with averages, that might be adopted to prevent the practice, he said, "Any returns we might be called upon to make on these lines would only differ from our present returns in accordance with the variations which are unavoidable in carrying on so large a business satisfactorily. While we must guard against our 'return' figures being the lowest of the month, which is only fair both to shareholders and ourselves, we are always, even on our make-up day, ready to meet all legitimate demands for money, and we are equally careful that our cash reserves are in a satisfactory condition each day of the month."

The London Economist, which has been criticizing the banks rather freely of late for this and other things, comments a bit cynically on this pronouncement, saying, "It might be considered convincing if it could be accepted as true that the lowest figures for the month always occur when the returns are to be made up, and if the market did not know that it was always denuded of credits at the end of each month when the banks are calling in loans prior to making up their monthly balance sheets."

In New York city the clearing-house banks publish their averages at the end of every week, When the bank position there is strained, so many artifices are resorted to in the effort to make it look better than it is, that the weekly statement has lost a lot of its effect. People do not believe it, as on many occasions it shows developments quite contrary to what everybody knows to have taken place.

With regard to our own banks in Canada, they are obliged, in their monthly returns to Government, to state the average amount of specie and legals held during the month as well as the amount actually held on statement day. This permits the student to tell in some measure, whether there has been "window-dressing" in the matter of specie and legals. It will be interesting to take the grand total of all the banks and see how they stand as a whole in this respect.

Specie and Legals.	1905. Amount at end of month.	1905. Average for month.	1906. Amount at end of month.	1906. Average for month.
January	$55,600,781	$54,648,485	57,510,207	$55,353,182
February	55,140,275	55,660,345	57,900,929	56,901,350
March	55,320,116	55,152,545	56,245,924	56,021,064
April	54,980,125	54,288,506	56,767,288	54,080,151
May	55,147,022	54,480,542	60,526,859	55,931,520
June	53,786,504	54,461,560	57,717,571	58,388,283
July	55,528,058	54,058,497	60,099,315	58,236,853
August	57,848,190	55,411,374	60,860,863	59,405,010
September	58,202,109	57,662,462	60,360,173	58,800,783
October	59,412,018	57,734,805	68,641,896	60,783,106
November	60,413,503	57,309,378	70,801,047	66,769,653
December	57,705,165	57,626,504	68,018,904	67,413,370

The wide difference of nearly $8,000,000 between "actual" and "average" shown on 31st October, 1906, cannot be ascribed to window-dressing. It is one of the results of the scare following the recent bank failure. The Ontario Bank's conditions became known at the middle October and a number of the banks hastily proceeded to strengthen themselves.

About these average holdings, it should not be assumed that they represent the average daily holdings. That would necessitate the collection of daily returns from all the branches. The probability is that they represent in most cases weekly averages. And in that case there would be opportunity for a minor weekly window-dressing. But it is hardly to be thought that our old strong banks would take the trouble to dress up either for the weekly or monthly balance sheets. Some of them show quite frequently the condition hinted at by the London and Westminster Bank chairman, viz., that their specie and legals on make-up day were apparently at the lowest of the month. But it is not only in specie and legals that window-dressing could occur. They only constitute a part of the quick assets or available cash reserves. The amount held as balances in other banks, call loans, securities, has also to be considered. It happens once in awhile that a Canadian bank, on some special occasion, when it happens to be particularly strong in cash, etc., or when it has made itself so, issues a statement of condition advertising it in a manner to create the impression that it habitually runs with that degree of strength. It would have a wholesome effect on banks that are inclined this way, and at the same time yield due credit to others which do not window-dress, if depositors and the general public were to make more of a study of this matter of average cash and actual holdings at the end of the month.

H. M. P. ECKARDT.

C.P.R. FINANCING

ITS CHEAP BORROWING LAST WEEK CAUSED SURPRISE IN WALL STREET.

Canadian Pacific Railway Has in Recent Years Been Able to Obtain Money Cheaper Abroad Than Any Other American Railroad System—Referring to the Recent Successful Financing the Wall St. Journal Says.

"The spectacle of the Canadian Pacific obtaining funds in London on a basis of about 4.06 per cent., while our own roads are selling notes at home on a basis of more than 6 per cent., is decidedly instructive. It is little wonder that when the first reports of this transaction came over the wires Wall St. was wholly incredulous, and all the more so because a large part of the recent big note issues sold in New York is understood to have gone abroad.

The cost to the New York Central of the $50,000,000 recently raised on notes is understood to be a trifle more than 6 per cent. The Southern Railway certainly paid as much and possibly a little more for its $15,000,000. These rates, high as they are, are not a great deal higher than those that prevailed for the same kind of accommodation a year ago, as witness the sale of $50,000,000 of Pennsylvania Railroad short-term notes last May on terms which made the road pay not less than 5½ per cent and probably 5¾ per cent.

The Canadian Pacific's sale of stock is not, of course, an extremely important one in respect to the amount involved, for none of the large American systems which are or recently have been so much in need of capital would have been willing to consider placing an issue so small at $7,500,000, but it at least conveys a very hopeful suggestion of the possibility of obtaining cheaper capital abroad than is just now to be had at home. The negotiations of the Chicago Great Western to sell $3,000,000 of its debenture stock in London are another indication along the same line.

In these two cases, as also that of the French loan of the Pennsylvania, the consideration of a low interest rate is a security having a prior claim upon the income of the borrowing company. Thus the Canadian Pacific's preferred stock is arbitrarily limited to half the amount of the common stock outstanding, which pays 6 per cent. and earns a very great deal more. There is no denying the fact that the income upon this stock is better secured than that upon some railroad bonds for sale this side of the Canadian line. Likewise, the Pennsylvania offered a bond of the western holding company guaranteed by the parent company with its dividends of ten times the bond interest pledged to secure the latter. The French investors took the Pennsylvania loan on terms to net them about 3.8 per cent., it cost the Pennsylvania not more than 4⅝ per cent.

THE CANADIAN BANK OF COMMERCE

PAID-UP CAPITAL, - $10,000,000
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HEAD OFFICE, TORONTO, ONT

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Rest	4,500,000
Assets	37,000,000

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By order of the Board,

E. F. HEBDEN, General Manager.

Montreal, Jan. 22nd, 1907.

Authorized Capital $5,000,000

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GAMBLING IN GRAIN

THE DIFFERENCE BETWEEN BUSINESS AND SPECULATION.

The Uses and Abuses of Trading in Futures—Why the Real Trader Must Deal This Way—The Need of Hedging at Times—The Causes of Fluctuation—A Canadian Corner—Why the Cornerers Usually Lose—The Case of the Seller and the Position of the Buyer.

(The third article in The Financial Post's series of articles on the grain business deals with the most interesting subject of trading in futures. The writer who is an experienced grain dealer, explains the uses and abuses of this phase of the grain market.)

The ordinary individual considers the buying and selling of grain for future delivery altogether speculative. He would as soon gamble at Monte Carlo, or speculate in stocks as buy wheat for May delivery two or three months ahead, and he would be right. For the outside public the only difference between speculation in grain and speculation in stocks is that in the former they get a squarer deal. Whereas stocks irrespective of merit, are at times manipulated by the big speculators who can temporarily contrive to make a stock go up or down, and are affected most sensitively by the money market, in grain the general natural principle—the weather conditions play the all-important part. During each portion of the year there is somewhere in the world a grain crop passing through a critical stage. The Argentine harvests her crop in December, India in March and April, Southern States in May and June, Northern States in July and August, Northwest Canada in August and September, Russia in August and September, and Australia in January.

The character of the crop in all these countries has a direct effect on prices, and anyone buying wheat bets that the weather will be unfavorable, and stands as good a chance of being right as wrong. In stocks on the other hand, there may be every reason why a certain stock should go up, and yet it may be juggled round by the big men and forced lower by fictitious reports and false accounts.

The Genuine Trading.

Now though for the outsider to deal in grain futures, or options as they are called, is pure speculation, it must be pointed out that for the real trader the future market has a legitimate use. In fact it is the only means by which he can safeguard himself and do a conservative business. Take the position of a merchant owing elevators or warehouses through the country. He starts in buying wheat, and soon finds that he buys faster than he can ship. He does not want to stop buying, nor does he wish to speculate wildly. Yet he knows that the wheat which is worth say 70c. when he buys it may be only worth 60c. when he gets it to market. On the other hand it may be worth 80c. should prices go up. How then can he continue buying and protect himself from violent fluctuations? The answer is, he can sell futures, or to put it technically, he can hedge. Suppose the month to be September, he can sell grain for delivery in October. If it is October he can sell for delivery in November or December, according as he thinks he will be able to get cars to ship to the point at which he sells. In December he may sell for delivery in May.

Causes of Fluctuation.

On the Winnipeg Grain Exchange the place for delivery of grain is Fort William, so that when a merchant sells 5,000 bushels of May wheat at say 70c., he undertakes to deliver at some time during the month of May 5,000 bushels of No. 1 Northern wheat, and the buyer undertakes to pay him 70c. a bus. for it when so delivered. If the seller cannot get his wheat forward in time he will have to buy wheat in Fort William to fill his contract, or if his wheat is forward but does not pass the requisite grade he must buy from someone else. It is this that has sometimes led to what are known as "corners," that is, the forcing of prices to fictitious figures. For example, a merchant has wheat in the country and sells it for July delivery in Fort William, Chicago, Duluth or Minneapolis, according to the territory he is trading in. When it comes to July he may not be able to get his wheat forward, or instead of it grading 1 Northern as he expected, it may only grade 2 Northern or 3 Northern. Then he has to buy some 1 Northern to fill his contract, and has to sell his other wheat at the best price he can get. If he is the only one in this shape there will be no harm done, but when a great number are in the same fix it is liable to put a fictitious value on the 1 Northern. This condition of affairs is fostered by the merchant who made the original purchases continuing to buy so that he is sometimes able to put the price of a particular grade up to an enormous extent and the sellers have to settle with him at the big price, seeing that they cannot get the wheat which they undertook to deliver to him.

A Corner Made.

There was a corner made a year ago last July by a prominent milling concern. They bought large quantities of July wheat in Fort William—that is, the merchants selling to them undertook to deliver 1 Northern and 2 Northern wheat in July. When July came these merchants shipped forward their wheat, a great deal of which was found a grade lower than 1 Northern or 2 Northern. This did not alarm them until they started to try and buy these grades to fill their sales, when they found that all the 1 and 2 Northern in the country had been bought up by the milling company to whom they had made their original sales. They then started to scramble to get out of their position, and the milling company was able to put 1 Northern up to 135, 2 Northern up to 132, while 3 Northern was selling at about 85c. Now the real difference in value between 2 and 3 Northern from the point of view of flour making was never more than 6c. during that year, so it is easy to see what manipulation was necessary when the difference became over 40c.

A Corner Generally Loses.

The only satisfactory feature of corners is that the originators always lose money in the end. In the case given above the milling firm had to pay dear for the majority of the 1 and 2 Northern that it showed them a big loss when they came to resell it after July was over. True they were able to dispose of some of it at a profit to the people who had made the original sales, but to keep prices away up they had to buy double what they were able to sell.

It is not likely there will be another corner attempted in Fort William, for the Winnipeg Grain Exchange has made a rule allowing more grades to be delivered on future sales, so that to make a corner now the manipulator will have to buy not only all of one or two grades, but all the available wheat of any grade.

The Buyer of Futures.

It may be urged that it is all very well on one side of the picture. The merchant buying in the country can sell the futures to protect himself against fluctuations in price, and by so doing removes the element of speculation as far as can be from his business—but how about the other side? Who buys these futures if not the speculator pure and simple? Is not the man who buys wheat for delivery five or six months ahead just doing so on the chance that prices will advance? Certainly this is sometimes the case, but not as a rule. The man buying generally knows what he is going to do with the wheat when it is delivered to him.

Suppose a miller gets an order for flour from some foreign country—Japan or the West Indies for example. They want the flour sent to them in shipments spread over several months. The miller wants to take the order and sign the contract but fears the price of wheat may be higher some months hence, nor has he the means or the storage capacity to buy the wheat on the spot and hold it till the time comes for grinding it into flour to fill his sales. What he does is to buy on the future market sufficient for his requirements, or perhaps he buys from a merchant who in turn buys on the future market. It is the same in the end, the future market is the means of his being able to do business on legitimate lines.

The Uses and Abuses.

These are the uses of trading in futures. The abuses are also quite plain, namely, when people having no business in grain buy or sell futures for the sake of gambling just as they would bet on a horse race. In fact the spirit of gambling which in England turns to horse racing on this continent finds a vent on the stock and grain markets, but to brand all future transactions with the same mark is quite incorrect.

A strong point in favor of having a regular future market on each Exchange is the safeguard it gives both buyer and seller from losses by default. Each future trade is registered at the end of the day with what is called the clearing house, and the clearing house makes each trader pay up margins each day if the market is going against him. Suppose a merchant sells 5,000 bus. wheat for May delivery at 70c., and the price of May wheat the next day is 71c., he is obliged to pay to the clearing house 1c. a bus., which equals $50. If he fails to do this a notice is posted on the Exchange that he is unable to fill his contracts.

When the market goes down again to 70c. he receives his $50 back, and so on from day to day till the wheat is actually delivered and the money for it handed over by the buyer. In the same way the buyer of the 5,000 bus. has to pay margins if the price falls, and both buyer and seller are protected. The importance of this can easily be seen when it is remembered that before the establishment of a regular market and clearing house in Winnipeg merchants bought and sold to each other without calling margins. True, according to the rules they might do so, but it was treated as a slight and was seldom done, and when delivery day came a trader might be found unable to fill his contracts, thereby causing loss all round. To-day the clearing house acts in an impersonal way, calling margins each day from large or small trader alike. Also for example it may happen that one lot of wheat is sold for May by A to B, B sells it to C, and C to D, and so on till the final buyer would be Z. Thus the real seller is A, and the man who buys and pays for the wheat is Z. Now in the old days this wheat when it came to delivery day would have to pass through the hands of all the intermediates, causing a great deal of unnecessary work. To-day the clearing house consults its books and instructs A to deliver direct to Z. It then straightens matters between the intermediate parties, paying some of them their profit and collecting the loss from others, for each of these intermediates has both bought and sold this 5,000 bus., and has either a profit or a loss on the transaction. The only real parties to the deal so far as the actual wheat is concerned are A, who first sold the wheat, and Z, who last bought it.

SELF HELP SERIES

This is a department which we hope will be found inspiring and interesting to young men and women. There will be thousands of them in the employment of subscribers to the Post. The attention of the employers might also be directed to these articles.

VI.

HOW TO SAVE—WHY TO SAVE.

Some Simple Rules—Too Much Luxury.

It is a simple thing to secure a savings bank account worth the while. Increase your industry in raising money. Increase your thrift in spending it. Have as few wants as possible and waste nothing of what you get to supply your wants. If your means do not suit your ends, pursue ends which suit your means. Watch the future, foresee contingencies, and calculate your expenditures accordingly. Arrange your income and expenditure so you have a little over each week or each month. Combine these odds and ends of capital and watch how they grow. Be a general in little things.

Did you ever think what the savings bank habit involves. Economy is the sister of temperance, cheerfulness, health and clean habits; and is the mother of independence, cool judgment and peace of mind. Cosy homes, neatly arranged, and snug as you please, are produced by the same habit which regularly lays aside so much each month to provide for "the rainy day," or for the beginning of a fortune.

The loose change which many young men throw away uselessly and sometimes even worse, would often form the basis of fortune and independence. Recklessly squandered it becomes the worst enemy of man—expensive habits and perhaps a ruined character.

The man in debt is a slave. He is not rich enough who merely owes nothing. Such a man cannot strike for his own terms. He has to take what is offered or get out of work and go hungry.

Economy is too late when you are at the bottom of your purse, but if you habitually exercise thrift you will never be poor but will some day find you are the recipient of a handsome income over and above your regular salary.

Such thrift would make Canada one of the greatest nations of the world. It was King Edward who said, "The encouragement of the habits of thrift and foresight and of a spirit of independence and selfhelp—qualities which conduce in the highest degree to the welfare of the nation—is an object which must always have the deepest sympathy of the Queen and myself." Miserly meanness, is not more baneful to society than the lavish expenditures of the prodigal. Neglect of economy does not stop at poverty. Many times it leads to crime. The saving habit on the other hand guarantees good behaviour. If you have a bank account you will not risk losing your good name nor your liberty.

Comfort and luxury is not the end of economy. The luxury of the day is unparalleled. In the middle ages prodigality was confined to kings, their favorites, and the feudal chieftains. The common people, the blood and bone as well as the conscience of all nations, were not enfeebled by waste and idleness. Now luxury is becoming general. Forty-eight or fifty millionaires from Pittsburg pour out their money with prodigious and lavish hands. Thirty men who had little were made immensely wealthy by the United States Steel Corporation. Some of them are members of the Pittsburg colony. Millionaires have moved to New York from various parts of the country. They help to make living hard and costly.

College professors in New York who get $3.500 or $4,000 a year can hardly make both ends meet. They must pay $150 a month for a flat, whereas not long ago their rent was no more than $800 a year. These men are driven into the country when they should be taking part in the social and other activities of the city. Extravagance has had its influence abroad, especially in Germany, where hotels have increased their prices. American tourists spend $100,000,000 in Europe every year.

The actual total, as shown by letters of credit which pass through banks is about $275,000,000. This amazing sum is paid out in luxuries, such as pictures, jewelery, clothing, and hotel bills. Wealthy men no longer are satisfied with horses. They must have automobiles. We are blessed with abundant crops and with much gold, silver, iron, copper, coal, and lumber. Accordingly, our prosperity is not menaced at this time. Men have got to make money to keep up with the parade, and the savage pursuit of it by the rich and the manner of their living have quickened the step of the whole nation until everybody almost is on the run.

You must resist this influence for the sake of your own personal progress and in the interest of Canada itself. Economy in all classes has made the French nation one of the wealthiest in the world, and by raising your individual purchasing power do you contribute to the development of our country as a whole.

Save—it is a good motto; save for yourself, save for your family; save for your country, and you will find dull care will disappear. "Let him who sleeps too much borrow the pillow of a debtor."

Mr. J. R. Blackett has resigned his position as auditor-in-chief of the Dominion Coal Company at Glace Bay and his duties are being performed by Mr. W. S. Andrews, of Toronto, who has been appointed comptroller temporarily. Mr. Andrews was formerly comptroller of the Canadian General Electric Company, but left it to enter business as a chartered accountant.

Mathieson's Hankbook for Investors for 1907 is a convenient pocket record of prices and dividends for the past ten years of all fluctuating securities on the London Stock Exchange. The list comprises over a thousand stocks.

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THE FINANCIAL POST OF CANADA

A weekly newspaper aiming to present to the public in a popular manner accurate information relating to the financial interests and legitimate investments of Twentieth Century Canada.

No paid advertising will be inserted in the reading columns unless marked "Advertisement" excepting in he case of Official reports of annual or other meetings of corporations.

The acceptance and insertion of an advertisemen shall in no way be taken as an indication of the approval of the editoral department; the latter shall be free to comment or criticize, if necessary, as their study of the situation demands.

Advertising Rates

$2.00 per inch single insertion.
$1.50 per inch each issue for six months.
$1.00 per inch each issue for one year.

Subscription Price

$3.00 per annum to any address in Canada, Great Britain, the United States or Europe.
Single copies 10c. each.

Published by the
FINANCIAL POST COMPANY,
Publication Office: 10 Front St. East, Toronto.
Montreal, 232 McGill St. Winnipeg, 511 Union Bank Bldg. London, Eng., 88 Fleet St., E.C.
President, - - - John Bayne MacLean
Managing Editor, - - - Stewart Houston

Toronto, February, 16th, 1907.

EDITORIAL NOTES.

Assuming that the growth of the City of Toronto continues in the next ten years in the same ratio as in the past decade, the increase in the earnings should increase in the same proportion as for the same period just ended. The city receives 20 per cent. of all gross earnings over $3,000,000, a mark which was passed in 1906. Up to $3,000,000 it receives from 8 to 15 per cent. Its share in 1916 should $1,600,000. The citizens might pause to reflect on the fact that they are very large partners in this undertaking and while improvements in the service are at all times desirable, a more judicial spirit might very properly be shown in the future. Curiously enough, the Montreal capitalists have had more faith in "Toronto Street" than people nearer at home who were always urging that at the end of the franchise the common shareholders would be in a very equivocal position. A perusal of the Post's article in its last issue may demonstrate the ground for the Montrealers' confidence.

There has been much discussion over the possibility of the Ontario Parliament refusing the Toronto Electric light Company's application for powers to increase its capital stock by $1,000,000. For any legislature to interfere at this stage with a company's action is tantamount to robbing private individuals of their money. The directors decided some time ago to increase the capital, the stock advanced on the announcement that the new issue would be put on according to the usual practice at par. The price would never have advanced to 170 if the public had not understood that there were to be rights. Those who bought it at this figure would therefore be deprived by Government of a portion of their property. In spite of what the daily press has said there is no infringement of the rights of the city. These have been determined by contract. The regulation of rates is another matter, and rates are reasonably subject to government control in regard to all public utilities, provided no existing contract is abrogated. No government can properly pass special legislation prohibiting one company from issuing stock as it thinks best, unless the rule is made applicable to every company, but even then it would be contrary to all principles of British jurisprudence and justice to make the law in effect retroactive. The Whitney Government is to be commended in the past for setting its face against retroactive clauses and it should not be carried away now by any clamor.

Quite a different matter is the announced determination of the Ontario Cabinet not to permit the Hamilton Cataract Power Co., by the securing of a Dominion charter, from removing its traction lines and utilities from the very proper jurisdiction of the Province, assuming that in the first instance the company has any such intention.

The large advertisements of American flotations that appear in Canadian dailies give rise to the surmise as to whether there are enough foolish people left in Canada to pay for the cost of the advertising. The British American Copper Mines and Smelting Company takes a third of a page in Saturday's paper with the head line: "Price of this stock advances Tuesday." The price then was 20 cents per share and a purchaser can distribute his payments over four months. In the meantime he will be able to see his shares advanced to 25 cents or whatever price the promoters think fit.

The "mines" consist of 640 acres in British Columbia in the golden division of East Kootenay. The officers and directors reside in Cleveland. The capital is only $5,000,000, par value of shares $1. The financial agents are Thomas Davies & Company, of Chicago. This firm clearly believes in extensive advertising as in the same issue, nearly as large an advertisement appear over their signature, exploiting the United Standard Lead & Zinc Co., which has properties in Missouri. The price of this bargain is 15 cents a share, capital 3,000,000 shares of $1 par value. The reader is informed that the stock has already increased 200 per cent. and it will be 500 per cent. before the snow is off the ground.

In a Montreal paper J. J. Bamberger & Co. present a young man's picture possibly the head of the firm of whom it states, "I have just returned from Cobalt." Cobalt Contact is his specialty and he strongly advises purchases at 62½ cents a share. In order that his clients may have a choice, he also offers "Christmas Wonder," which is inferred to be situated in the Goldfield camp.

Comment on these propositions is unnecesary.

The Farmers' Bank has put forth by way of advertisement a lithographed card of oblong shape showing on the surface a large conventional barn in light brown. Across its ample front runs the following doggerel:

I loved a girl with auburn curl; the lass was wondrous fair;
Our only wealth, our hope and health, our labour and our care;
The Farmers' Bank of Canada fostered our savings spare,
And now we're one while life shall run that once were but a pair.

In the foreground the farmer with cow-breakfast on head and pitchfork over shoulder is depicted in short sleeves. At his feet the pigs and chickens are playing. It is not mentioned what these are intended to represent. All that is required to complete the advertisement is a statement of the bank's position according to the December Government return.

Capital paid up, $300,240.
Total assets, $267,839.

The Nipissing management are promising to develop the property in a scientific manner. Hitherto like most Cobalt shippers, the veins have been cut by the throat and the mineral gouged out as it lay at hand. The importance of proper development has been demonstrated by the O'Brien, La Rose, and more lately the Coniagas mines. The Nipissing possessed so many veins with rich values on the surface that the temptation was great to win the minerals at the least immediate expense. This policy, however, could not long continue and it is pleasant to know that the present directorate will sink on the present veins, Nos. 49, 26, 19 and 10 to a depth of 300 feet or more and will prospect the rest of the property while actual development proceeds on the determined veins.

At this time when a very proper spirit of public enquiry into the operations of corporations, is extending beyond what might be termed legitimate limits and is resulting in action by lines that are frequently ill-considered and involve an unfair infringement upon vested interests, and at times, confiscation of property rights, it is the duty of a newspaper devoted to the investments of a community to point out "the other side of the question."

We believe that every director of any company in Canada has a very personal interest in this subject. Omitting the injury of specialized or class legislation, enacted to fit a particular case in response to a popular clamor, and ofttimes dealing injustice in a wider field, there is in the case of Canada the particular peril of arresting the supply of capital from abroad which is absolutely necessary to the development of the country's rapidly growing resources. The Financial Post will publish each week special articles on the subject. Some of them will be contributed by writers who have made a keen study of the question and can speak with authority on matters involving political economy.

THE CONTINENTAL LIFE.

In the seven years of its existence, the Continental Life Insurance Company has witnessed an increase from $15,000 of premium income to $153,789, the total income being now $172,995. The assets have grown from $79,925 to $574,760 and the company has a reserve of $426,592. The management are proud of the excellent character of their risks and of the reduction in operating expenses.

CONFEDERATION LIFE ASSOCIATION

Thirty-fifth Annual Meeting

Report for the Year 1906

The Thirty-fifth Annual Meeting of the Confederation Life Association was held at the Head Office of the Company on Tuesday, the 12th inst., at 2.30. p.m. There was a large attendance of Policy-holders, Agents, and others interested in the Company.

The following report for the year 1906 was presented:—

Your Directors beg to submit their Report for the year 1906, and in doing so would offer their congratulations to the Policy-holders and Shareholders on the very gratifying results attained.

The past year, owing to the disturbing effect of the investigations in New York, during 1905, and the appointment and sittings of the Commission in Canada, was perhaps unprecedented in the existence of circumstances calculated to restrict the volume of new business and also tending to the lapsing and surrender of existing policies. It will therefore be a source of satisfaction that the new business of the year not only equalled that for 1905, but exceeded it; and that a very satisfactory gain was made in the amount of insurance in force. Very favorable increases were also made in the Income of the year, as well as in other items, which will be seen from the following tabulated statement:—

Comparative Statement of Business for 1906

	1906	Increase 1906 over 1905.
Assets	$11,953,913	$ 853,834
Premium Income	1,521,298	141,244
Interest Income	531,626	49,888
Total Income	2,052,924	191,132
CASH SURPLUS	836,271	135,772
PAID TO POLICY-HOLDERS		
Death Claims	359,731	
Matured Endowments	263,607	
Annuities	22,347	
Surrendered Policies	81,560	
Cash Profits	70,907	
TOTAL PAID	$798,152	x$39,723
Death Claims Accrued, Net	400,222	27,096
Applications Received	6,436,141	137,283
Policies Issued	6,067,879	65,757
Insurance in Force	45,119,516	2,619,166

xDecrease

FINANCIAL STATEMENTS.

The Financial Statements will be found to set out the actual condition of the financial affairs of the Company at the close of the year. These are duly attested by the Auditors, whose Report will be found appended hereto.

VALUATION OF POLICY AND ANNUITY OBLIGATIONS.

The valuation has been made on the same basis as for the past six years. Particulars will be found duly set out in the Report of the Actuary appended hereto.

The total claims arising from deaths among the insured, aggregated the sum of $400,222.00, under 223 policies on 193 lives. The net loss, after deducting Reserves at the credit of policies falling in, was, as compared with 1905, greater by the sum of $7,529.00. It will therefore be seen that the losses by death continue to be very favorable, and largely within the tabular expectation. The receipts from Interest and Rents during the year exceeded the death claims by the sum of $131,075; while, taking into account the entire period of the Company's existence, the Interest and Rents received exceed the total claims from deaths by the sum of $944,299. This fact naturally points to the following important features: care in the selection of the lives insured, and equally careful attention to the class of security on which the moneys of the Company are invested.

OPENING FOR NEW BUSINESS IN GREAT BRITAIN.

Your Directors had the matter of opening for business in Great Britain before them in the early part of the year, and after careful consideration, and upon the report of the Managing Director, who first visited Great Britain, decided to establish a branch of the Company there. The Secretary subsequently went to Great Britain with a view to complete arrangements. These have been effected, and the necessary deposit made, and organization has been fairly entered upon.

It was too late in the year to admit of much being done, but some good business has already been secured.

While favorable results are anticipated, your Directors fully realize that success will only result from patient and careful effort.

HEAD OFFICE BLOCK.

The favorable statement made in the last Annual Report respecting the Head Office Building and adjoining block could be more than repeated now, were it deemed necessary.

During the year the building on the southwest corner of Victoria and Queen Streets was acquired by purchase—the Company already being owners of the ground.

The Board has at present under consideration the erection of an eight-storey modern steel fire-proof building to replace the one purchased, extending north from the Head Office building to Queen Street, having a frontage on that street of 44 feet, and to be incorporated with the present Head Office building. It is believed this will further improve the rental value of the Head Office building, affording, as it will, direct communications with Queen Street on the third and higher storeys.

Draft plans have been prepared for the proposed new building, which include increased vault accommodation, rendered absolutely necessary to meet the needs of the Company's greatly enlarged business, and to provide for future expansion. The expenditure that would be required to provide new vaults in the basement of the present building, the only place available, which would be most convenient, and for other equally necessary changes, if made alone, would, it is estimated, cost a sum equal to one-fourth of the cost of the proposed building, which provides ample vault accommodation convenient to the Company's main building.

The erection of the building will only be undertaken when the cost, and other conditions, have been fully considered.

VACANCY ON THE BOARD.

It is the sad duty of the Directors to record the death, on the first day of the present year, of their highly esteemed colleague, the Honorable Sir William Pearce Howland, C.B., K.C.M.G., who filled the office of Vice.President during the first two years of the Company, and that of President for the following long period of twenty-eight years, when he retired on account of of advanced age. He continued on the Board as a Director, and attended meetings as late as November last. He rendered valuable service to the Company, and his memory will long be cherished by many of the Company's officers and employes for the kindly consideration manifested when brought into contact with him.

The vacancy on the Board caused by his death has been filled by the appointment of Mr. John Macdonald, of John Macdonald & Co., Wholesale Dry Goods Merchants, Toronto.

FIELD AND OFFICE STAFFS.

The Directors, in closing their Report, are pleased to bear favorable testimony to the efficiency of the service rendered by both the Field and Office Staffs. Higher testimony to these services could scarcely be given than is furnished by the Reports and Statements now submitted.

All the Directors retire, but are eligible for re-election.

W. H. BEATTY, President. J. K. MACDONALD, Managing Director.

Financial Statements.

CASH STATEMENT.

RECEIPTS.

Net Ledger Assets, Dec. 31, 1905		$10,411,656 43
Premiums.		
First Year	$ 205,501 20	
Renewal	1,284,671 36	
Annuity	41,628 37	
	$1,531,800 93	
Less Re-assurances	10,503 34	
		1,521,297 59
Interest	$ 488,227 44	
Rents, Net	43,398 49	531,625 93
Profit arising from the Sale of Securities, Net		84,127 47
		$12,548,707 42

DISBURSEMENTS.

To Policy-Holders,		
Death Claims	$359,731 00	
Endowments	263,606 55	
Annuities	22,346 57	
Surrendered Policies	81,560 29	
Cash Profits	70,907 19	
		$ 798,151 60
Commissions, Salaries and Traveling Expenses of Officers, Agents and Employes		311,728 69
Government Taxes, License Fees, etc		17,735 15
Solicitors' Fees		2,550 94
Postage		5,784 65
Agency Expenses		1,766 23
Medical Expenses		14,002 18
General Expenses		11,469 19
Printing and Stationery		7,738 03
Advertising and Advertising Literature		12,846 97
Rent, Light, Fuel and Caretaking		17,486 40
Furniture		3,196 28
Investment Expenses		6,347 76
Royal Commission Expenses		1,507 12
Dividends to stockholders for one and one-half years to Dec. 31, 1906		22,500 00
Net Ledger Assets, Dec. 31, 1906		11,313,887 23
		$12,548,707 42

BALANCE SHEET.

ASSETS.

First Mortgages on Real Estate	$4,990,130 73
Bonds and Debentures	3,392,255 78
Stocks	421,968 51
Policies of other Companies	914 79
Real Estate, including Company's Buildings at Toronto and Winnipeg	1,107,886 02
Loans on Stocks or other Collaterals	5,949 64
Loans on Company's Policies	1,299,730 74
Sundry Items	2,355 00
Cash in Banks and at Head Office	101,192 91
	$11,323,384 12
Less Premiums and Interest received, but not credited, held in suspense	9,496 89
Net Ledger Assets (as per cash statement)	$11,313,887 33
Interest Due and Accrued	233,639 12
Net Outstanding and Deferred Premiums (Reserve thereon included in the Liabilities)	396,889 76
	$11,944,416 11

LIABILITIES.

Reserve Liability on Policies and Annuities (Hm. 3, 3½ and 4½ per cent.)	$10,816,796 00
Death Claims Accrued, not adjusted (including Claim not admitted	103,126 00
Present Value of Instalment Claims, Death and Endowment, not yet due	13,185 00
Present Value of Profits to Policy-holders applied in reduction of premiums not yet due	64,098 00
Declared Profits to Policyholders	1,916 05
Capital Stock Paid up	100,000 00
General Expenses	9,023 95
Cash Surplus above all Liabilities (Company's Standard)	836,271 11
	$11,944,416 11

J. K. MACDONALD, Managing Director.

AUDITORS' REPORT.

We have made a monthly audit of the Cash and Bank Accounts, with the books and vouchers of the Confederation Life Association, for the year ending December 31st, 1906, checking the securities and cash balances and verifying the Schedules leading up to the Cash Statement and Balance Sheet, and we hereby certify that the accompanying Cash Statement and Balance Sheet bearing our signatures are true and correct statements of the affairs of the Association to and at the date named.

The books are well and accurately kept in all departments, and securities are all accounted for, and all required information has been fully and freely given.

R. F. SPENCE, F.C.A., "Can."
A. C. NEFF, F.C.A.
Auditors.

ACTUARY'S REPORT.

I beg to report that I have valued the outstanding Assurance and Annuity obligations of the Association as at December 31st, 1906, according to the basis stated below, and find the liability thereunder as follows:—

	Amount.	Reserve Liability.
Assurances	$45,119,516	$10,624,093
Less Re-assurances	307,095	34,585
	$44,812,421	$10,589,508
109 Annuities, amount of yearly payment thereunder $24,617		217,288
Contingent Liability		10,000
Total Reserve Liability		$10,816,796

The Institute of Actuaries Hm. Table of Mortality was employed with interest as follows:—

For the outstanding insurance written in the years

1871 to 1895 inclusive,	amounting to	$16,560,369	4½ per cent.
1896 to 1899	" "	7,234,179	3½ per cent.
1900 to 1906	" "	21,324,968	3 per cent.

For all Annuities issued prior to January 1st, 1900, 3½ per cent.
and for those issued subsequently, 3 per cent.

W. C. MACDONALD, Actuary.

Toronto, Jan. 3rd, 1907.

The report was unanimously adopted and the following Board of Directors elected:—W. H. Beatty, Esq., W. D. Matthews, Esq., Frederick Wyld, Esq., J. K. Macdonald, Esq., Hon. James Young, S. Nordheimer, Esq., E. B. Osler, Esq., A. McLean Howard, Esq., George Mitchell, Esq., D. R. Wilkie, Esq., William Whyte, Esq., John Macdonald, Esq. At a subsequent meeting of the board Mr. W. H. Beatty was re-elected President and Messrs. W. D. Matthews and Frederick Wyld, Vice-Presidents.

Full reports of the meeting are in the press and will shortly be issued.

Bank Notes

At the annual meeting of the Royal Bank of Canada on Wednesday, in Halifax, it was decided to increase the nominal capital from four to ten million dollars. It was also decided to increase the number of directors by four, viz., Mr. Pease, Montreal; Messrs. Elliott and Crewe, Winnipeg, and Mr. Thorne, St. John. Reports show the bank to be in an exceptionally prosperous condition.

The Bank of N.A. declared this week a dividend of 40 shillings per share. It is presumed that this is the regular half-yearly dividend of 30 shillings with 10 shillings by way of bonus, which added to 30 shillings for the first half of 1906, would make the return for the year 7 per cent. The sum of £20,000 was transferred to the reserve fund, which is now £460,000, compared to capital of £1,000,000. There was transferred to bank premises account £20,000, as compared with £10,000 last year. The balance carried forward is £19,000.

At a meeting of the Board of Directors of the Union Bank of Canada, held in Quebec on Tuesday, Hon. John Sharples, M.L.C., head of W. and J. Sharples lumbering firm, and the vice-president of the bank, was elected president, to succeed the late Andrew Thomson. W. Price, of Price Bros., was elected vice-president, to succeed Hon. Mr. Sharples, while George H. Thomson, president of the Q.R.L. and P. Company, was elected to succeed Mr. Price on the board of directors.

The Bank of Toronto has closed its branch at Rossland.

The Northern Bank finds its branch recently established at MacLeod too small and is building a more commodious structure.

The Bank of Commerce's new building at Medicine Hat will have its facade adorned with a characteristic pair of stone pillars. It will be of two stories, the second containing five bedrooms with baths for the use of the staff, following the usual practice of the bank in securing comfortable living quarters for its clerks in the West.

Mr. T. S. Chatterton, who has been transferred as manager at Petrolea to Cobourg in the Metropolitan Bank, was presented with a banquet and an address from the Board of Trade, a traveling bag and a gold ring prior to his departure from the town of Petrolea.

The Bank of Commerce is receiving through their architects, Messrs. Darling, Pearson & Over, tenders for the erection of three new branch buildings at Wetaskiwin, Alta.; Dauphin, Man., and Weyburn, Sask.

Mr. G. Batchellor, accountant of the Traders Bank at Guelph, has been appointed manager of the Royal Bank at Ingersoll.

Mr. Lynde, who has been in the Whitby branch of the Western Bank for some time, has been appointed Mr. Carswell's successor in the Pickering branch of the Western Bank. He entered upon his duties in the bank there on Saturday last.

Mr. W. M. Oliver, accountant of the Metropolitan Bank at Guelph, has been transferred to Brockville, as acting manager.

"Next week a branch of the Merchants' Bank will be opened in Victoria. R. F. Taylor, formerly manager of the branch in Calgary, will be local manager. A property has been purchased, as already stated in these columns, on the corner of Yates and Douglas Sts. The Merchants' Bank was the first to open in the Middle West, where they have done a large and ever-increasing business. The advent of the new financial concern will be welcomed by all classes of business men, as it is one of the largest and most conservative institutions of the kind in Canada."—Victoria Colonist.

A Toronto daily newspaper in an editorial remarks that a small portion of the money spent in improving the architecture of Canada's bank buildings might be used to improve the architecture of salaries that are paid to the juniors in the service of the Canadian banks of this country. There is no complaint on the part of the juniors. Considering that they are learning the business and at an early age are able to make more money than most other boys, and they are really apprentices in an occupation, training them in systematic methods and in business life, they are well paid. It is when the bank clerk has been in the service for ten years and sees little ahead of him that he finds frequently his contemporaries doing better. The demand for service in a bank is regulated by the supply of men. There is no doubt that the banks are now experiencing some difficulty in securing the right class of men, but as long as a sufficient supply is forthcoming directors can hardly be blamed for offering any higher salaries than are necessary. The pension fund and the bonus system must also be considered.

The encouragement for co-operative societies and banks for which a bill was introduced into the Dominion Parliament last week, is a retrograde movement. While Minnesota is proposing to abolish private banks, a Canadian legislator is attempting to encourage them. Surely the banking needs of the country are well enough served without seeking to foster small corporations dependent on the honesty and ability of small individual administration. The Levis Co-operative Bank in six years shows a record of success, but has it served any better purpose in its immediate community than the branch of a chartered bank would have done?

THE MACKAYS' FUTURE.

The Mackays have passed through all the trials and tribulations of the past three months firmly and steadfastly holding its ground better than any stock on the list. The possibilities of the future were outlined in a Boston despatch which stated that the Mackay companies' acquisition of stock in the American Telephone and Telegraph Company was in pursuance of the policy of John W. Mackay, the founder of the postal telegraph and commercial cable systems.

To quote: "Triplicate offices are now maintained for electrical transmission of intelligence as well as triplicate systems of poles, wires, etc., through the United States and Canada. A consolidation of the telegraph, telephone and cable service would save millions annually in operations and extensions, as no new money would be required for some years for poles and wires after a consolidation had been effected. And the service of a combined system would be supreme."

BANK OF HAMILTON

BOARD OF DIRECTORS

HON. WILLIAM GIBSON, President. JOHN PROCTOR. GEORGE RUTHERFORD
HON. JOHN S. HENDRIE. CHARLES C. DALTON. CYRUS A. BIRGE.
J. TURNBULL, Vice-President and General Manager.
H. M. WATSON, Assistant General Manager and Superintendent of Branches.

HEAD OFFICE, HAMILTON, ONT.

CAPITAL, $2,500,000; RESERVE FUND, $2,500,000; TOTAL ASSETS, $32,000,000

LIST OF BRANCHES:

ONTARIO: Atwood, Alton, Ancaster, Beamsville, Berlin, Blyth, Brantford, Brantford, East End, Chesley, Delhi, Dundalk, Dundas, Dunnville, Ethel, Fordwich, Georgetown, Gorrie, Grimsby, Hagersville, HAMILTON— Head Office, Barton St Branch, East End Branch, West End Branch, Deering Branch, Cor. Barton and Sherman, Jarvis, Listowel, Lucknow, Midland, Milton, Mitchell, Moorefield, New Hamburg, Neustadt, Niagara Falls, Niagara Falls South, Orangeville, Owen Sound, Palmerston, Port Elgin, Port Rowan, Princeton, Ripley, Simcoe, Southampton, Teeswater, TORONTO— 34 Yonge St, Queen and Spadina Ave., College and Ossington Ave., Yonge and Gould, Toronto Junction, Wingham, Wroxeter, Milverton, Selkirk

MANITOBA: Bradwardine, Brandon, Carberry, Carman, Elm Creek, Gladstone, Hamiota, Holmfield, Kenton, Killarney, La Riviere, Mather, Manitou, Miami, Minnedosa, Morden, Pilot Mound, Roland, Snowflake, Stonewall, Swan Lake, Winkler, Winnipeg, Man., " Grain Exchange Branch

SASKATCHEWAN: Abernethy, Battleford, Caron, Francis, Indian Head, Melfort, Moose Jaw, Mortlach, Saskatoon, Warman, Carievale

BRITISH COLUMBIA: Fernie, Kamloops, Vancouver, " Cedar Cove Branch, Salmon Arm

ALBERTA: Edmonton, Nanton

Correspondents in United States: New York—Fourth National Bank and Hanover National Bank. Boston—International Trust Co. Buffalo—Marine National Bank. Detroit—Old Detroit National Bank. Chicago—Continental National Bank and First National Bank. Kansas City—National Bank of Commerce. Philadelphia—Merchants National Bank. San Francisco—Crocker-Woolworth National Bank. St. Louis—Third National Bank.

Correspondents in Great Britain: National Provincial Bank of England (Limited).

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JAMES MASON, General Manager

To Investors

A company is being organized to manufacture fire brick and sewer pipe from a remarkably fine deposit of fire clay recently discovered in Western Canada. The clay adjoins a railroad and is in close proximity to extensive coal fields. Western Canada affords an ample and profitable market. The owners are desirous of getting in touch with interested parties with capital to invest. Particulars may be had by addressing Box A, Financial Post, Toronto. 2ts

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HAMILTON POWER.

A New Company Will Take Over the Cataract Company.

The holdings of the Hamilton Cataract, Power, Light and Traction Company are about to be transferred to the Dominion Power and Transmission Company, which has lately been organized with a capital of $25,000,000. The new company will take over all the Cataract Company's enterprises with the exception of the Hamilton Street Railway. These include the Hamilton Electric Light and Cataract Power Company, with its generating plant at De Cew Falls, and its transmission lines, the Hamilton and Dundas Street Railway, the Lincoln Electric Light and Power Co., the Hamilton Radial Electric Railway, with controlling interests in the Hamilton, Grimsby and Beamsville Electric Railway, Hamilton and Ancaster Railway. It is said that the company will in the near future, absorb the Western Counties Electric Company, which is now supplying Brantford with light and power. The Hamilton Street Railway has been kept as a distinct corporation from the cataract company.

Holders of preferred stock in the Cataract Company will receive share for share of preferred stock in the Dominion Transmission Company, the latter to rank for six per cent. dividends for three years and after that seven per cent. Holders of Cataract common stock will receive three shares of limited preferred Dominion stock, such stock to be preferred for five years only after which it will become common stock.

The reason given for the reorganization is that further capital was required to carry out logically the extended operations looming up before the Cataract Company whose present capitalization is as follows: Preferred, $3,300,000; common, $1,700,000.

CONFEDERATION'S RECORD.

The Best Year in Its History—New Insurance Greater Than in '05.

The Confederation Life Association in its thirty-fifth annual report, gives a full and frank statement of its operations. Its list of government and municipal debentures, and of stocks is given in its entirety, and outside of the bond list, there are held $235,503 par value of securities of a thoroughly sound character chiefly of the leading Canadian banks. In spite of the disturbing effect on the public mind of the disclosures in New York State, and the enquiry of the Canadian Commission, the Confederation Life wrote more new insurance than in 1905, although the latter year had witnessed a very exceptional increase over 1904.

One striking instance may be found in the assets of the company, which have increased by $853,834. The surplus and the amount of insurance in force also show an advance which may be described as remarkable under the unprecedented conditions. Another striking feature is the favorable showing in the losses by death, which are largely within the tabular expectation. The receipts from interest and rents during the year exceeded these claims by $131,075, which fact indicates clearly the care taken in the selection of lives to insure, and also the attention paid to the class of investments made by the company.

The year was also marked by an expansion in the field of business. The association decided to establish a branch in Great Britain, and after the general manager had made a report on conditions, the secretary went to the Old Land to complete the arrangements. Organization has been fairly entered upon, and favorable results are anticipated.

The report refers to the proposal to enlarge the present head office building by erecting an annex on the southwest corner of Victoria and Queen Sts. This would provide another exit, and is calculated to add to the rental value of the building by giving direct communication with Queen St. The erection of this new building is still under consideration, but the forward step which it indicates shows the healthy financial condition of the association of the association. The nature of the report confirms the public estimate of the high position this company occupies among the financial institutions of the country.

The survey of the Temiskaming and Northern Ontario Railway has been completed, and contracts have been awarded for the construction of a mines branch to the south-east of Cobalt. It will diverge from the main line near the Silver Queen mine, and will serve the McKinley-Darragh, Silver Leaf, Silver Bar, University, Foster, Jacobs, and Drummond properties more particularly. So far it is only contemplated to carry it as far as Kerr Lake, but probably before the steel has long been laid there will be an urgent call for an extension. It will materially assist in the development of Cobalt by placing cars right at the doors of many large shipping properties, thus saving a heavy ore haul.

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MR. B. BARTY will be in Toronto, at the King Edward Hotel, February 18th to 21st.

THE MACKAY'S REPORT

FIGURES MEAGRE BUT THE FACTS INTERESTING.

An Optimistic Statement—Mr. R. A. Smith, of Toronto, Appointed a Trustee — Earnings Improve Over Last Year—Commercial Cable's Reserve.

The annual report of the Mackay Companies for the year ending Feb. 1st, 1907 does not contain as far as its balance sheet goes much information beyond that already furnished in the pages of The Post. It has often been asked why the Mackay directorate do not give more figures to their shareholders. The reply is that the company's interests are so divided that it would not be easy to give a complete tabular statement of all their operations. For example they have large holdings in American Telegraph and Telephone Company (the Bell Company), and all that could be done in this respect would be to state the amount of their holdings and to reprint the Telephone Company's annual report. The directors might very reasonably give however a list of the properties owned by the holding company and the amount of capital apportioned to each interest.

At the annual meeting held yesterday in Boston the Board of Trustees was increased by two members, Messrs. Pliny Fisk, of the well known New York firm of Harvey Fisk & Co., and R. A. Smith, of Messrs. Osler & Hammond, Toronto who is designated in the press dispatches as representing the Canadian shareholders. The other trustees are: Clarence Mackay, president; George G. Ward, vice-president; Edward C. Platt, treasurer; William W. Cook, general counsel; and Dumont Clarke.

The profit and loss account for the past two years, compared, is:

	1906	1905
Receipts.		
Income from Investments	3,310,327	2,719,595
Disbursements.		
Dividends	2,985,874	2,332,492
Operating Expenses	24,624	23,186
Balance Forward	299,829	363,917

The balance sheet states investments in other companies as $91,887,487, as compared with $82,336,332 in 1905; cash, $220,459, as against $117,385 in 1905.

The annual report states among other things:

Notwithstanding these days of money borrowing and mortgage giving, your trustees are again able to announce that the Mackay Companies has no debts.

Its authorized capital is $50,000,000 preferred shares and $50,000,000 common shares, of which there are outstanding $50,000,000 preferred shares and $41,380,400 common shares. During the past year $9,354,100 preferred shares have been issued in exchange for stocks of corporations, which, in addition to strengthening the position of the Mackay Companies, pay as much or more dividends than the corresponding dividends paid on the Mackay Companies' preferred shares. The entire authorized preferred shares of the Mackay Companies have now been issued, and no further preferred shares may be issued, excepting on a vote of the shareholders. The outstanding common shares have not been increased during the past two years. The Mackay Companies, in its investments, confines itself to first-class cable, telephone and telegraph stocks.

Dividends have been regularly paid on the preferred shares since April 1904 at the rate of four per cent. per annum, payable quarterly. Dividends have been regularly paid on the common shares since January, 1905, such dividends having been increased to four per cent. per annum, payable quarterly, commencing July, 1906.

The income of the subordinate companies of the Mackay companies is largely in excess of the amount required to pay these dividends, but its policy is to obtain from its subordinate companies only enough money to meet the dividends on the Mackay Companies' shares. If the entire profits of the Commercial Cable Campany and its land line system for 1906 were paid to the Mackay Companies, as might legally be done, and if the Mackay Companies used all these profits, together with its income from other investments, for the payment of dividends, the amount would be sufficient to increase very largely the present dividend on the common shares, after paying the full dividend on the preferred shares. All surplus earnings are left in the treasuries of the subordinate companies for extensions and the development of the business and the increase of reserves.

During the year 1906 the earnings of the Commercial Cable Company (which has paid regular quarterly dividends for over seventeen years) have shown substantial gains in gross receipts and net profits, on both the ocean and land systems. After paying the dividend on its stock, a large amount remaining was carried to reserve, in accordance with its long established policy.

The Commercial Cable Company during the year has made numerous extensions, notably a line to Cuba, the cost of which will be paid out of current profits.

COBALT SHIPMENTS.

For the First Week in February—Over 1,230 Tons in Five Weeks.

The Cobalt shipments for the week ending February 9th were slightly over 221 tons, distributed as follows:

	Pounds.
La Rose	117,587
Nipissing	105,800
Kerr Lake Mining Co.	75,000
O'Brien	67,000
Coniagas	44,800
Cobalt Central	32,307
Total	442,494

The shipments for the month of January and the year to Feb. 9 are as follows in pounds:

	January	Year to Feb. 9.
Nipissing	623,701	729,501
O'Brien	419,831	486,831
Buffalo	279,000	279,000
La Rose	123,500	241,087
Coniagas	174,220	219,020
Silver Queen	125,683	125,683
Kerr Lake	......	75,000
University	61,385	61,385
Green-Meehan	61,210	61,210
McKinley Darragh	60,000	60,000
Cobalt Townsite	47,160	47,160
Foster	43,600	63,600
Cobalt Central	......	32,307
Total	2,019,290	2,461,784

The Nova Scotia mine shipped a carload of cobalt on Saturday destined for Swansea, South Wales.

The Big Pete mine of the Cobalt Central Company has become a shipper during the past week.

The shipping mines are as follows:

Nipissing	Coniagas
O'Brien	McKinley-Darragh
Buffalo	Thethewey
Foster	Green-Meehan
Silver Queen	University
Townsite	Kerr Lake
Drummond	Watts
Nova Scotia	Cobalt Central
La Rose	

The Lawson, now in litigation, shipper one rich carload in 1905.

EQUITY FIRE CO.

A Good Statement by a Company That is Making Good.

The Equity Fire Insurance Company is one of the younger institutions which has successfully overcome all the difficulties of the formative years and presented last week its ninth annual report which indicates that it is in an excellent position to take its full share in the rapidly growing insurance business of the country. Last year, realizing the field in the West, the company has established general agencies at Regina and Calgary as well as in Winnipeg.

The balance on profit and loss account last year was $67,342.60, the fire losses and adjustment expenses were $134,648. The premiums earned were $366,548, the reserve fund has accumulated from $45,814 in 1905 to $58,597 in 1906.

The sum of $126,671 is invested in bonds and debentures which are given in detail, while the cash on hand or in the bank is $39,418; outstanding premiums and assets are $42,507. This business has been accomplished on a capital of $150,000 paid up, on $500,000 subscribed, leaving a further security to policy-holders of $350,000. Mr. Thos. Crawford, M.P.P., is president, and Mr. Wm. Greenwood Brown has made a progressive and energetic secretary and manager.

At a meeting of the Canadian Central Mines, Senator J. K. Kerr, J. G. Turiff, M.P., Gordon B. Edwards, of the firm of Senator Edwards; W. H. Cluff, City Auditor of Ottawa, and S. D. Madden, M.E., of Cobalt, were elected directors.

The Continental Life Insurance Co.

At the annual meeting held at the head office in Toronto, on Feb. 13th, inst., the following report was presented:

In presenting their Annual Report of the operations of the Company for the year 1906, your Directors take pleasure in announcing that the business has been of an eminently satisfactory nature. The policies issued and revived during the year were 1,011 for $1,201,452. The total amount of insurance in force at the end of the year was 4,0761 policies for $4,774,022. The net premium income after deducting amounts paid for re-insurance was $153,878.71, and the interest and other revenue receipts $17,437.99, making a total of $171,316.70. The expenses of management were considerably less than in 1905, and the ratio of expenses to premium income was materially reduced, the reduction amounting to over five per cent. The assets, after paying all death losses, expenses of management, etc., now amount to $574,760.27. The policy reserves have increased by $78,804, and now amount to $426,592.00 computed according to the stringent Dominion Government standard. The following statement shows the steady increase of the Company's business:

	Net Premium Income.	Income from Investments.	Death Claims Accrued.	Total Assets.	Reserves.	Insurance in Force.
1900	$ 15,050	$ 1,612	......	$ 79,925	$ 17,321	$ 705,200
1901	53,193	4,124	$ 3,000	123,884	84,805	2,097,246
1902	78,208	5,436	7,329	259,439	128,831	2,704,467
1903	100,174	9,340	10,500	337,118	192,015	3,428,041
1904	127,631	12,402	15,750	408,202	269,342	4,053,556
1905	143,958	17,975	10,735	498,029	347,788	4,483,235
1906	153,879	17,268	29,470	574,760	426,592	4,774,022

A strict audit of the Company's books, vouchers, etc., has been made continously throughout the year, and the securities for investments and cash and bank balances have been verified. The Directors have pleasure in expressing their appreciation of the ability, energy and devotion to the interests of the Company, of the members of the Office and Field Staffs.

JNO. DRYDEN, President.

GEORGE B. WOODS, Managing Director.

CHARLES H. FULLER, Secretary and Actuary.

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YIELDING 4⅝ % to 5⅛ %

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New York Stock Exchange.

Range of Prices for Week Ending February 15th.

—	Closing Feb. 8	Open.	High.	Low.	Last.
Amalg. Copper Co.	112¾	112⅞	115½	112	114⅛
Am. Car & Foundry	45¾	43⅞	45	43⅜	44¼
Am. Locomotive Co.	70	71	75¾	70⅛	75
Am. Smelt. & Ref.	143	142¾	146	142¼	144⅞
Am. Sugar Ref. Co.	133	133¼	137¼	133	135⅜
Am. Tobacco Co., pf.	96	96	96¼	96	96⅛
Am. Woolen Co.	32	32	32¼	32	32¼
Anaconda Cop. Min.	283	283	302½	283	299½
At., Top. & S.F.	104⅛	104	105	103	104¼
Atlantic Coast Line	121	120	122½	120	122
Baltimore & Ohio	116¾	116¼	117⅜	114⅜	114⅜
Brook. Rapid Transit	23½	73½	75¾	73	74¾
Canadian Pacific	181¾	181¼	186	180¼	185
Chesapeake & Ohio	50½	50¼	53	50½	52¼
Chi., Great Western	16½	16⅛	16¼	15¼	16
Chi., Mill. & St. Paul	147⅞	147⅛	150½	146⅞	148⅞
Chi. & Northwestern	165	164¾	167½	163¼	166
Chi., St. P., M., & Om.	165	......	......	......	......
C., C., C. & St. Louis	89¾	88¼	91¼	88¼	91
Colorado Fuel & Iron	48⅞	49⅜	50¼	48¼	49⅞
Colorado & Southern	35⅜	35	39¾	34¾	36⅞
Consolidated Gas	134	133¼	140	133¼	137¼
Delaware & Hudson	212	212	214¼	210	212
Den. & Rio Grande	37⅜	37¼	39⅜	37	38¼
Dul., S.S. & At.	18	18	17⅞	16½	17
Erie	35¼	35⅛	37⅛	35	37
Erie, 2d pf.	61	56	62¼	61¼	62¼
General Electric	160¼	161½	161¾	159¾	159⅞
Great Northern, pf.	164½	164	171½	162½	169
Illinois Central	158½	159	160⅛	159	160¼
Interb.-Metropolitan	35⅛	35	40	34¾	39⅜
Internat. Paper Co.	17	17	17⅞	17	17½
Louisville & Nash.	135	134½	136¼	133⅜	135¼
Mackay Companies	72¼	72½	74¾	72¼	73¼
Mackay Companies, pf.	69⅝	69½	70½	69⅜	70½
Mexican Central, pf.	24½	24½	25¼	23¾	23⅜
Minn. & St. Louis	57	56½	56¾	56¼	56¾
M., St. P. & S.S.M.	115	115	124¼	114¼	124⅜
M., St. P. & S.S.M., pf.	147	146	149½	145½	149½
Mo., Kan. & Texas	38⅞	39	43⅜	38½	43¼
Missouri Pacific	84⅝	84¾	85½	82	83
New York Central	128½	128	130	127¼	129
N.Y., Ont. & Western	44¾	44¾	45⅞	44½	45⅜
Norfolk & Western	87	86¾	88¾	86	86⅝
Northern Pacific	153	152½	155¼	150¾	153⅞
Pennsylvania R.R.	131⅜	131½	132⅞	130¼	131¼
People's Gas, Chi.	97½	97⅛	97⅜	95½	95½
Pullman Company	......	......	......	......	......
Railway Steel Spring	53¼	53	54¼	53	53½
Reading	123⅝	123½	126¼	121⅜	124¼
Rep. Iron & Steel	36	36½	36⅞	35½	36½
Rock Island Co.	26¼	26	27⅛	25⅝	26⅜
Rock Island, pf.	58½	59	59	58½	59
St. Louis Southwestern	22	24	24¾	23¾	24¼
Sloss-Shef. Steel & Iron	71	71	72¾	69¼	71¼
Southern Pacific	94	93⅝	95⅜	92½	94⅜
South. Railway	26⅝	26⅝	27⅝	26	26⅞
Texas & Pacific	33⅝	33⅜	34⅜	33	34½
Union Pacific	173½	172¾	176¾	172½	176¼
U.S. Rubber	50⅝	51½	52⅜	50⅞	52
U.S. Steel	45	45	46½	44½	46⅜
U.S. Steel, pf.	104⅞	104⅝	105⅜	104⅜	105
Wabash	16¼	16¼	16½	16	16¼
Western Union Tel.	82⅜	82⅞	83	82⅜	83
Wisconsin Central, pf.	46½	46½	47	46½	47

A SWIFT STORY

IS THAT OF THE GROWTH OF THE NEW WEST.

A Graphic Writer on the Growth—A Novelist Depicts Fact More Remarkable Than Fiction—An Engrossing Article on the Canadian Northwest—The New Wheat Lands Opened Up—The Wonderful Development.

The interest aroused by rapid growth and new development is always engrossing and possesses its romantic side. The speedy advances in our Northwest have attracted the interest of so graphic a writer as Emerson Hough, author of the "Mississippi Bubble" and "The Law of the Land" who leaves for a time the realm of financial fiction to write most happily in this month's Outing of "The Last Stampede for Cheap Homes," taking Edmonton as a particular example and the Canadian Northwest as a general text for his illuminating periods on "The Last Frontier."

Speaking of Edmonton, Mr. Hough says:

"In 1901 this village at the edge of what we wrongly deem an icy world had 2,600 people. It has 15,000 to-day, even though it is still the pioneer, the town farthest west on the upper railways. Three years ago, it had a world of open lands; to-day there is not a homestead left open within fifty miles west of Edmonton city limits.

Edmonton's 1,600 Per cent. Growth.

"Five years ago the assessed value of Edmonton property was a million and a third; to-day it is sixteen millions. Five years ago a few men very foolishly said they could raise wheat four hundred miles south of Edmonton. They are raising it and milling it four hundred miles north of Edmonton to-day! The men of Fort Vermilion, which was beyond our wildest travel dreams, are begging the Government to survey their land for them and allow them to throw it open for settlement. They have mills and waterworks and electric light plants up there, under birch-bark roofs. But there is no frontier. The arm of Edmonton, the gate city, is two thousand miles long, but where does it touch a frontier, when you may now make a perfectly safe and comfortable summer journey by steamer to the Arctic Circle and return? What about the frontier when they now calmly mention the Peace River as the coming Winter wheat region of the world! Many eyes are now on the McLennan River Valley, west of the Rockies. If presently someone shall erect palace hotels on the Liard or the Porcupine, I for one shall evince no surprise.

"You see a bundle of silver fox skins worth forty thousand dollars; but the merchant does not care for that; he wants to show you wheat and oat fields the crops taller than your head. They tell you of hunting grounds to the far north full of appeal to the adventurers; but they add that a railway is building to Lac la Biche and another to Hudson's Bay; and they add casually that if the great bay shall prove too icy for Winter transportation of these millions of bushels of grain to England, then they will build a road from its east shore across Ungava and Labrador. And these things they will do!

Where is the Frontier?

"Among the green poplars which enfold what we thought was to remain forever the wind-swept capital of the fur trade show now many tents, scores of them. They are the tents not of Crees and Breeds, but of new settlers who have not had time to build their houses. Wild fowl still breed thereabout; but close to the wild lakes axe and billhook are cutting away the bush and opening up the rich black soil for farms.

"But where is the frontier? They show you pictures of the Hudson's Bay Company's store of other days and tell you of low-roofed rooms, smoky and filled with a jumble of furs and dog harness and gaudy cloths for the native trade; yet when you find the Hudson's Bay Company's stores to-day, you discover windows filled with lingerie from Paris, picture hats and dainty boots of dainty make as those of Broadway, gloves for gentle hands, silks, furs and fine linens. Alas! for the Hudson's Bay Company; it caters no more to Pie Face, the Esquimaux belle, but to Estelle and Angeline from Ontario, Katie and Bess from the "States," and Mary and Nora from over seas.

"The farm lands average thirty bushels to the acre; oats to the tune of fifty-seven bushels average, which is almost freakish; and whereas in the United States oats need weigh but thirty-two pounds per bushel to be standard, around Edmonton they would throw such oats to the hogs, for there the average runs thirty-eight, forty-four, sometime fifty pounds per bushel—this on what was though was fish-fed frontier!

"There are some moose to be had from Edmonton. She is indifferent as to that. What she wants to show you are her cattle and hogs and sheep, fat and flourishing as any on the range lands or dairy regions of the "States." Once Edmonton lived in logs; but last year she cut twenty million feet of sawn lumber from logs floated down the Saskatchewan from somewhere out west where the frontier formerly was, but is not. Lately, in our estimation, she shivered over fires of little sticks; but now she has coal mines within her city limits, and ships coals to those who have none. Commerce thereabout not long ago was an the basis of the made-beaver; but to-day Edmonton dredges gold from the Saskatchewan opposite the city hall; and she has twelve flourishing banks, eighteen wholesale houses and factories and mills, how many I do not know.

Increase in Immigration.

"I did not wonder when they told me that up to the end of May, 1906, five months in all, there had come into Edmonton district 5,000 Americans, 3,000 Canadians, 540 English, 230 Scotch, 200 Irish, 98 Germans, 170 Austrians, 140 Russians, 68 Swedes, 26 Danes, 8 Hollanders, 11 Finlanders, 75 Frenchmen, 120 Belgians, 18 New Zealanders. I was not jarred when they told me 25,000 settlers would move into Edmonton district this year—10,000 more than came last year. But when they showed me that last year fifty families had removed from Riverside, Pasadena and Eureka, in the crack districts of California, and settled far to the north of Edmonton, I admit I gasped and sat down! But how much more than this have you known about the frontier today, and about climate and latitude, and many other things? Did you know that Edmonton has a much milder climate than Winnipeg; that anyone who can live at all in New York may gain in comfort by going to Edmonton? Did you know that anyone who can endure the climate of Chicago—But why multiply these revelations?

"Edmonton is merely an instance. Winnipeg, Calgary, Moose Jaw, Saskatoon, a score of new cities of the Canadian Northwest, have records of similar sort; and all this drama of change and contrast has been a peaceful one, founded upon no greater contest than that wrought by a simple plant with a bearded head, which will grow in some lands, but not in others, and which seems to have a way of empire about it—the wheat plant, closely intermixed with war and famine, with ocean steamer lines and colonial policies, with Wall Street fluctuations and national bank reserves."

After drawing a graphic picture of the new settler in his various phases and nationalities, Mr. Hough says the former United States citizen is not worrying about his being under a monarchial government. He appears quite happy or as one man said: "Why shouldn't I be happy? In Chicago I worked for the packers and here I work for myself." There is little prospect of our Northwest becoming a new republic except in commercial power.

He continues:

The New Comers.

"The rate of homesteading runs about thirty thousand claims per year; but millions of acres remain open for homesteading and more millions of land are still held by the railways. No reference is made here to the great empire west of the Rockies in the valleys of British Columbia, but only to the more or less open prairie lands or rolling country between the Rockies and Winnipeg Lake. This is a country easily accessible and its swift occupation is simply a matter of removing the remnants of the old misconceptions regarding it—misconceptions regarding climate, soil, agricultural possibilities and the frontier.

"Listen to this! There are over one hundred and seventy million acres of wheat land in the Canadian Northwest, and not three per cent. is yet farmed. The average wheat yield in the Spring wheat belt for seven years was twenty and ninety-six one-hundredths bushels, against eleven and eight-tenths for North Dakota and twelve and one-tenth bushels in Minnesota. The Province of Saskatchewan as first established contained two hundred and seventy-five thousand square miles. Since 1897 homestead entries have increased eighteen hundred per cent. in that province. Since 1902 twelve million acres have been homesteaded. Since 1885 the Canadian Pacific Railway alone has sold over five million acres to settlers. Three years ago, one real estate concern bought seven million acres of land from the Canadian Government at one dollar an acre. In these last two years they have sold every foot of that land, much of it at ten dollars per acre—the swiftest and largest real estate transaction ever known in the world. Twenty-five years ago there was not a mile of railway in Alberta or Saskatchewan. The mileage to-day is changing too rapidly to be obtainable; it is perhaps around ten thousand miles. Four years ago, there was only one incorporated city in the Canadian Northwest. Land sells today at thirty dollars which five years ago was bought at one dollar an acre, one-fifth paid down.

Future Prospects.

"Over one hundred and fifty thousand settlers came into Northwestern Canada in the year 1904—05. There were fifty-four nationalities of Europe represented with a Government total, admittedly not comprehensive, of 146,266. In twelve months of that fiscal year there entered through the one port of Portal, on the Soo Line, 121,765 settlers, with 1,495 carloads of household goods. Last year there came also 33,700 travelers, classified not as settlers but as tourists of these 28,000 males, of whom an unknown number bought lands or entered homesteads. In April, 1905, 26,600 settlers Northwest Canada, of these 6,750 being Americans. Last April 42,700 crossed the line—11,000 of these were American settlers. The Fall immigration runs about half as large as that of the Spring. This of course, is the largest year to date. What next year's figures may be no one seems willing to guess.

"Tempting as is the task, one dare not venture much more deeply into figures, and must summarize briefly by saying that during the current year 160,000 to 200,000 settlers will move into Western Canada. That does not seem very large as against a million immigrants landed at our own Ellis Island. But of these latter not ten per cent. go to the west to farm. Of the Canadian immigrants, more than ninety per cent. move to the west upon the farms. They are going to make a country there. How great that country will be is one of the swift stories of the immediate future."

A seat on the Montreal Stock Exchange sold this week for $19,000, the lowest for several years, the last sale being at $23,500. Messrs. Redpath & Co. were the purchasers, the seat being offered by Mr. Simpson Garland, but for whom it is not stated.

A cable from London says: "The fall in Brazilian bonds is an unpleasant feature of the situation. It has been entirely due to the attitude of Brazil in favoring wild-cat schemes for issuing loans to maintain artificially the price of coffee. It is believed here that the Rothschilds are antagonistic and that France is selling Brazilian bonds."

TWIN CITY

THE FIGURES FOR 1906 SHOW SATISFACTORY GROWTH.

The Company's Strong Frachise Position—Its Exceptional Strategic Situation—New Extensions—The President's Report.

While the Twin City Rapid Transit Company cannot make the same exhibit of percentage of net earnings to capital as the Toronto and Montreal Street Railways nor does its surplus funds equal the reserves of the two leading Canadian tractions, it has the advantage when the question of franchises is considered, and also in its prospects of growth. It controls the tramway lines in the neighboring cities of St. Paul and Minneapolis and in addition to the strictly urban traffic has a large and profitable inter-urban business. Every year the distance between the borders of the two is being lessened until now their limits are within close proximity. In one city the Twin City's franchise is practically perpetual; in the other no franchise on any individual line expires in less than 40 years. Its prospect for the future is therefore very great.

The annual statement for 1906 which is to hand, shows profits, after payment of fixed charges and taxes, as $1,882,182. Deducting $210,000 being 7 per cent. on $3,000,000 preferred stock there remains $1,672,182 available for common stock equivalent to 8.32 per cent. on the amount outstanding, viz. $20.100,000.

The figures of earnings for the two years are:

	1906	1905
Gross	$5,644,988	$4,759,262
Expenses	2,625,379	2,119,145
Net	$3,019,609	$2,640,117
Int. — tax	1,137,427	1,050,797
Surplus	$1,882,182	$1,589,320
Dividends	1,162,500	1,091,387
Surplus	$719,682	$497,933
Approp. for renew. funds	482,000	340,000
Surplus	$237,682	$157,933

The general balance sheet of the Twin City Rapid Transit Co., as of Dec. 31, 1906, compares as follows:

	1906	1905
	Assets	
R'd'way, eq., real estate, etc.	$39,972,152	$37,323,637
Notes and acts. rec.	39,089	50,627
Cash	1,107,797	336,716
Construct material	254,752	212,754
Stoves, mat. & supplies	169,834	177,280
Invested funds	428,572	416,289
Total	$41,972,197	$38,517,300
	Liabilities	
Com. stock	$20,100,00	$21,000,000
Pfd. stock	3,000,000	3,000,000
Fund. debt	16,546,000	15,566,000
Unpd. vouch & accounts	178,844	134,822
Int. accrued	283,116	270,850
Com. div. pay	251,250	225,000
Taxes acc'd.	331,637	310,422
Reserve fund	97,062	83,154
Renewal fund	590,450	470,895
Inc. acct. sur.	593,837	456,156
Bills pay	....	....
Total	$41,972,197	$38,517,300

The gross earnings and expenses in detail compare as follows:

Gross earnings:			
Pass.	$5,592,079	$4,733,334	$858,745
Miscellan.	52,909	25,928	26,981
Total	$5,644,988	$4,759,262	$885,726
Expenses:			
Maint of way, etc.	$ 195,023	$143,491	51,532
Maint of equip.	240,230	203,762	36,468
Op. of power	467,264	403,574	63,690
Car service	1,167,999	945,784	222,215
General ex.	354,341	251,585	102,756
Damages, etc.	152,522	122,949	29,573
Insurance	48,000	48,000	
Total	$2,625,379	$2,119,145	$506,234

Mileage statistics are as follows:

Total miles single track	52.82
Total miles double track	134.85
Total miles special track	25.85
Total miles all track reduced to single	254.41
Average total miles all track reduced to single	335.04
Total miles of street and right of way occupied	196.85
Gross. pass. earnings per mile single track	$16,690.78
Gross pass. earnings per mile street occupied	$30,526.12

The report shows that in 1906, 109,194,185 revenue passengers were carried against 94,666,696 in 1905, 85,388,164 in 1904, 80,844,592 in 1903, 71,830,971 in 1902, and 63,009,957 in 1901.

President Lowry of the Twin City Rapid Transit Co. in his annual report to stockholders says in part as follows:

The annual report shows gross earnings of $5,644,988 as compared with $4,759,263 for 1905, an increase of 18.61 per cent., and net earnings of $3,019,609, as compared with $2,640,117 for 1905, an increase of 14.37 per cent. The difference between the gross and net increase is largely due to an increase of 10 per cent. in our employes' wages and the increase cost of all raw materials.

During the year the management has paid particular attention to the matter of amusements along its lines, and more especially to its park at the terminus at Excelsior, Lake Minnetonka. It has developed a large business in this connection by judicious advertising. The expenses incurred thereby largely account for the increase in the general expenses.

During the year there were issued and sold $1,000,000 consolidated 5 per cent. bonds due 1928, and $2,100,000 common stock. The interest and dividends accruing on these issues, after deducting premiums received on the sale thereof, amounted to $63,500. This amount was charged against income as in previous years, although these issues were made to defray the cost of new construction.

During the boom of 1892 there was started outside of the city limits two villages for manufacturing purposes, St. Louis Park on the southwest, a distance of 6.1 miles from the city limits, and Roobinsdale on the northwest, a distance of 2.2 miles. Great pressure was brought to bear on our company to make extensions to these suburbs, but instead of doing so we secured the Minneapolis rights to connect with both villages. We then leased these rights to parties desiring to build, reserving the privilege to purchase whenever we saw fit. We recently concluded that the time had arrived when it would be to our advantage to take them over. We accordingly purchased the St. Louis Park Line for $40,000 and the Robbinsdale Line for $30,000. These lines will pay their operating expenses and interest on the investment.

From the surplus of $257,932 earned in 1905, your directors have appropriated $100,000 to the renewal fund. During 1906 the fund was further increased by the addition of interest on the investments. We estimate that the deprication on the properties of the company for the past year to be $482,000. During the year there was expended for car replacement and track reconstruction $480,783. The balance at the credit of the renewal fund now stands at $590,449, of which $363,500 is invested in bonds.

A statement of extension and improvements made during the year shows a total distribution of $2,648,518, of which $1,034,514 was for new power.

On May 1, 1906, $20,000 of the 7 per cent. bonds of the Minneapolis Street Railway Co. were redeemed. An equivalent amount of first mortgage consolidated bonds may be issued in place of them. They will be used as an investment for a corresponding amount of the renewal funds as will also be the amount similarly redeemed in 1905, in all $40,000.

The accounts of the company have been audited by Marwick, Mitchell & Co., chartered accountants of New York.

HOME LIFE PROSPEROUS.

Hon. J. R. Stratton Was Re-elected President.

The annual general meeting of the shareholders of the Home Life Association was held in the Home Life Building last Tuesday. There was a good attendance, and the satisfactory statement presented justified the congratulations received by the directors. The statement shows that there was a very decided increase over last year in the percentage of interest earned upon the average ledger assets, being an improvement of 1½ per cent. The net interest earnings of the year—$33,362.88—served to more than meet the death claims of the year. There was an increase of premium income of more than 19 per cent., or from $164,985.44 to $197,092.95 with a lessened expenditure for management. The reserves, calculated upon the stringent Government basis, amount to $651,796, while the assets available for the protection of policy-holders total $1,571,323, a decided increase over the preceding year. The total business in force is $5,475,100, which the directors hope by strengthening the agency staff to largely increase.

Directors, shareholders, and all concerned have good reason to feel pleased with the excellent position and prospect of the Home Life Association.

The following directors were elected for the ensuing year: Hon. J. R. Stratton, president; Mr. John S. King and Mr. James L. Hughes, vice-presidents; Mr. J. K. McCutcheon, managing director and Messrs. George Amyot, Thomas W. Boddy, John Curtis, Rev. A. L. Gee, E. L. Goold, Charles E. Stevenson, J. S. Hough, K.C., D. W. Karn, J. H. Spencer, Prof. J. F. Tufts, J. W. Lyon, Jacob Hose, James J. Warren and A. G. Browning.

SOME POSTSCRIPTS.

Complimentary References to Canada's Financial Newspaper.

The English financial press has agreeable items about the Financial Post and its first issue. Several of the leading papers pay a sincere compliment in quoting information and views from the Post's columns.

The London Financier which devotes considerable space to Canadian securities and has had an interesting semi-weekly series of articles on Canadian resources by the editor, Mr. Barrett, says:

"We welcome the advent of the 'Financial Post of Canada,' a new weekly journal, published simultaneously in Montreal, Toronto and Winipeg. It is controlled on the business side by the MacLean Publishing Co., which has already attained high importance in the leading cities of the Dominion, and owns several well-known periodicals devoted to comercial and industrial interests. Its editor is known, both in Canada and here, as an authority on finance.

"The appearance of the 'Financial Post of Canada" makes a very favorable impression, the style being attractive and the printing clear. Perusal of the contents justifies that impression. The special articles deal instructively with the great corporations in which British capital is largely interested, and subjects of economic importance, with direct bearing on financial prospects are lucidly dealt with. The "Financial Post of Canada" seems an exceedingly useful paper to file, and, in recommending it for that purpose, we may say we are acting on the advice we give."

The Colonial Mining News says:

"The first issue of the Financial Post of Canada, has come to hand by last mail. Containing as it does, up-to-date news on all financial matters. there should be a good demand for the new weekly. The aim of the paper is to present to the public in a popular manner accurate information relating to the financial interests and legitimate investments of the 20th century Canada and judging by the first issue it seems to have hit the bull's eye.

The Investor's Chronicle mentions at some length the Post's first article on Cobalt.

The Montreal Witness is one of Canada's most conservative newspapers and has avoided to the benefit of its own reputation the sensations and departures to which the press everywhere is prone. The articles contributed to it last autumn on bank inspection by Mr. Thomas Fyshe, the well-known authority, aroused very keen interest among the banking community.

It says:

"The quality of the fourth number of 'The Financial Post of Canada,' published in Toronto by the McLean trade journal interests, shows that the weekly has come to stay and to play an important part in financial and commercial matters in the Dominion. While there are innumerable financial weekly journals of more or less merit, it seems that the 'Post' has already 'filled a long-felt want,' and has immediately taken rank with the foremost financial weeklies in Canada.

"There is a fund of current information and comment that cannot fail to be useful to the busy banker. broker or investor. The expansive array of first-class advertising matter is an indisputable sign that the weekly is welcomed by the large financial and corporate interests in all the leading cities of the Dominion. The managing editor is a young man, well-known in Toronto, and if his initial numbers are any criterion the future will, beyond doubt, be bright and prosperous for the 'Financial Post.'"

Messrs. Wood, Gundy & Co. have purchased $1,500 worth of debentures from the Town of Brockville.

BANK OF COMMERCE

AN ANALYSIS OF ITS POSITION FOR THE PAST DECADE.

An Investment in 1897 Would Have Yielded Over Ten Per Cent.—A Table Illustrating the Growth—The Enormous Increase in Deposits — The Bank's Potential Future.

The Bank of Commerce has several distinguishing features among the many fine banking institutions of which Canada has reason to be proud. In point of capital it is the second largest in Canada, it possesses the greatest number of branches, now 169, its increase in deposits and also in resources was the greatest of any bank in Canada during the year 1906, its ratio of profits on capital and reserve combined was the highest, being 12 per cent. All of this financial fabric has been built up since the year 1867, when the bank first began its career. It is proposed to give an analytical survey of the bank's operations for the past ten years. This article being the second in the series on Canadian banks, the first dealing with the Bank of Montreal in the Post of Jan. 26.

A comparison of the principal items in the Bank of Commerce balance sheet for the past ten years discloses the following:

Year.	Capital.	Rest.	Circulation.	Total dep sits.	Total liabilities to the public.	Total assets.
1897	6,000,000	1,000,000	2,550,203	19,354,957	22,334,783	29,566,610
1898	6,000,000	1,000,000	3,030,428	23,289,106	27,001,330	34,256,103
1899	6,000,000	1,000,000	3,368,420	27,726,363	32,415,918	39,682,786
1900	6,000,000	1,250,000	4,191,693	29,680,269	35,326,210	42,822,799
1901	8,000,000	2,000,000	7,266,266	51,679,365	60,083,428	70,616,383
1902	8,000,000	2,500,000	7,368,042	53,923,287	61,891,577	72,825,362
1903	8,700,000	3,000,000	7,880,547	62,783,655	71,170,431	83,341,889
1904	8,700,000	3,500,000	7,680,947	70,459,351	78,521,689	91,055,798
1905	10,000,000	4,500,000	8,738,670	74,373,490	83,466,471	98,375,597
1906	10,000,000	5,000,000	9,199,204	87,152,536	97,991,897	113,545,960

During ten years the capital increased 66 2-3 per cent., reserve 400 per cent., circulation 260 per cent., deposits 350 per cent., total assets 284 per cent.

In the decennial period the total amount transfered to the rest was $4,000,000, of which $565,000 was from premiums on new capital offered to their existing shareholders, and $700,000 in connection with the purchase of the Bank of British Columbia and the Halifax Banking Company, and $2,735,000 from earnings.

The following table of percentages is of interest:

Year.	Prop. of rest to capital.	Prop. of rest to assets other than specie and Dom. notes.	Prop. of capital and rest to liabilities.	Rate of dividend paid	Rate of earning on capital.	Rate of earning on average market price of stock.	Percentage of divd. on market price of stock.	Average price of shares (calendar year.)
1897	16.66	3.54	31.34	7	7.43	5.63	5.30	132
1898	16.66	3.04	25.92	7	7.95	5.60	4.93	142
1899	16.66	2.62	21.59	7	9.05	6.11	4.73	148
1900	20.82	3.19	20.52	7	12.77	8.63	4.73	148
1901	25.	2.96	16.64	7	12.26	8.09	4.60	152
1902	31.25	3.59	16.96	7	12.85	8.13	4.43	158
1903	34.48	3.88	16.44	7	12. +	7.46	4.38	160
1904	40.23	4.22	15.54	7	12.97	8.13	4.40	159
1905	45.	4.99	17.37	7	14. +	8.48	4.24	165
1906	50.	4.82	15.30	8	17.41	9.67	4.44	180

A noteworthy feature of the above is the increase in surplus earnings over the dividend rate from .43 in 1897 to 9.41 in 1906. The yield from investment in shares at market price decreased from 5.63 to 4.44 while the market price of shares increased from 132 to 180.

Additional capital was issued in buying out the assets of the Bank of British Columbia and the Halifax Banking Co. to shareholders of those institutions and a new issue was made to shareholders of the Bank of Commerce in 1905 of one share in 6. 69-100 at 140, the market price being 165. A shareholder taking his allotment of new shares and selling it at the market price at the time of issue would have received from this source profits on the par value of his holdings of 3.74 in 1905, an average of .37 per cent. for the ten years. An investment made in 1897 in Bank of Commerce stock at 132 and sold out in 1907 at 180 would have returned the investor his principal intact and 10.55 per annum interest made up as follows: Average dividend on original purchase price 5.38, average annual increase in selling price of shares 4.80, average profit from sale of allotment of new stock .37 per cent.

The Bank of Commerce has a very potential future. Its banking facilities are unequalled in Canada and it is well entrenched in London, New York, San Francisco, Chicago, New Orleans, Portland, and Seattle. In the growing Northwest of Canada it has 63 branches. Even if the West has a set-back the bank has ample resources to withstand the lean years. In Winnipeg it does the largest business of any Canadian bank.

The Post has followed in the above analysis the form of table prepared by Messrs. A. E. Ames & Co last year.

PENNSYLVANIA'S POSITION.

With Five Per cent. of U.S. Mileage, It Earns 12 Per Cent. of Gross Total.

Figures compiled last week by the management of the Pennsylvania Railroad indicate clearly the pre-eminent position of that railroad in the matter of earnings. How important a part of the railroad mileage of the country is represented by the Pa. Railroad system is shown by these figures, which compare the mileage, earnings, dividends, etc., of the Pennsylvania system with those of all the railroads in the United States, including the Pennsylvania itself:

	All roads in U.S.	All P.R.R. Lines E. and W. of Pitts. and Erie.	P.C. of Total.
Mileage	220,028	10,707	4.86
Gross earnings	$2,319,760,030	$276,802,301	11.93
Gross earnings p.m.	10,543	25,852	.....
Pass. earn.	618,555,934	72,777,367	11.77
Pass. earn. p.m.	2,811	6,797	.....
Freight earnings	1,640,942,862	194,987,364	11.88
Freight earn. p.m.	7,458	18,211	.....
Operating expenses	1,532,163,153	192,426,759	12.56
Operating expenses p.m.	6,963	17,972	.....
Net earnings	787,597,877	84,375,542	10.71
Net earnings p.m.	3,580	7,880	.....
*Income from other sources	132,624,982	22,595,271	17.04
Dividends paid	229,406,598	34,790,193	15.17
Taxes	68,903,288	8.016,491	11.63

*Including interest and dividends on securities owned, other interest receipts, rents, etc.

The density of traffic on the Pennsylvania lines is well brought out in these figures by the fact that while the Pennsylvania has but 4.86 per cent. of the country's mileage, it earns 11.93 per cent. of the gross earnings of all lines. As the table shows, the Pennsylvania system pays out 15.17 per cent. of all the railroad dividends distributed by the railroads of the United States.

THE
ROYAL BANK
OF CANADA

INCORPORATED 1869

Capital paid up	- -	$3,800,000
Reserve Fund	- -	$4,300,000
Total Assets	- - -	$43,000,000

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MUNICIPAL OPERATION

HOW IT HAS WORKED OUT IN GREAT BRITAIN.

Sir John Lubbock Does Not Favor it—His Conclusions—A Few Interesting Facts—Comparisons Between Private and Public Results—Gas Company's Figures—Two Tramway Systems.

Whenever municipal operation in Canada has proved either a failure or unsatisfactory and attention has been drawn to the fact, the cry is immediately raised that the corporations have inspired the journalistic statements. No such criticism can be made of, however, Lord Avebury's conclusions after a careful study of the subject in Great Britain. Sir John Lubbock, as he is better known, while a banker has never been affected by any narrowness of capitalistic ideas. He has been recognized as a champion of the workingmen, and having been chairman of the London county council, he is well qualified to speak on municipal operations which form the issue in the London county council elections that take place on March 2nd. The eyes of observers all over the world are turned on the results of this election and while the socialists may be continued in power, it will not be because any thinking members of the community have any confidence in their system. In a small volume recently published, Lord Avebury comes to the following conclusions.

"The undertaking by municipalities of commercial undertakings is undesirable mainly on five grounds:

"First, the legitimate functions and duties of our municipalities are already enough, if not, indeed, more than enough, to tax all their energies and fill up all their time.

"Secondly, it has involved and will involve an immense increase in municipal debt.

"Thirdly, it will involve municipalities in labor disputes.

"Fourthly, as there will not be the same stimulus to economy and attention, there will be a great probability, not to say certainty, that one of two things will happen—either there will be a loss or the service will cost more. The working classes will, of course, be the greatest sufferers.

"Fifthly, it is a serious check to progress and discovery."

"My fourth objection," he says, "is often contested. It is alleged that profits are made. Where municipalities have monopolies and can charge what they like this is one one sense the case. They take what they choose out of the profits of the rate-payers and call it a profit.

"I doubt whether they ever make a profit where they have not a monopoly. We who are engaged in commerce know that success depends on close attention to details, on watching the turn of the market, on giving mind and thought to business. It is impossible for members of municipalities to do this, and consequently municipal management cannot be so economical or so successful as private management.

"But it is said that, as a matter of fact, profits are made. In many cases, at any rate, the profits are imaginary. Too little is allowed for depreciation, for rent, for legal and clerical expenses.

"In many cases in electric lighting an undue amount is charged to street lighting; in tramways too much is charged to street improvements; in housing schemes the cost of the land is sometimes taken below the cost price—and so on.

"Still, taking the accounts as given, the number of electric light undertakings which have been working for twelve months is 190. The capital expenditure has been £12,500,000, on which a loss is admitted of £11,707.

"The amount put to depreciation, moreover, was only £20,000, which is absurd; if we add the amount of capital repaid—£205,000—the amount is still under 2 per cent., which is certainly too little to write off in such a business.

"The accounts of forty-eight municipalities working tramways show that only thirteen make any contribution to the rates, seventeen make no depreciation allowance, and only eleven allow more than 2 per cent. We all know how disastrous the steamers of the London county council have been and continue to be.

"It is no answer to say that private companies also make mistakes and lose money. No doubt they do; it is inevitable and is an additional argument, not for, but against municipal trading; but the difference is that in one case they are losing their own money, in the other the ratepayers."

The London correspondent of The Sun, New York, writing on the subject of Great Britain's experiences in municipal operation, says:

It will be supposed that in the matter of gas supply, if in nothing else, municipal management would be able to compare favorably with private or company enterprise. Comparative returns without exception show the contrary.

It is necessary in fairness to make due allowance in making comparisons for nearness to coal fields and the consequent local price of coal. We find that in Manchester (municipalized) the price of gas is 58 cents a thousand feet. The South Metropolitan Gas Company of London (private company) charges 50 cents a thousand, although the price of coal in London is considerably higher than in Manchester.

The Manchester municipality reports an annual profit to the city of $330,000 on its gas works. If the London company charged the same price as Manchester its customers would have to pay $1,040,000 more a year for gas. If Manchester charged the same price as the London company their customers would pay $395,000 a year less, and the so-called profit would be turned into a loss of $65,000.

In Salford, the great suburb of Manchester, gas is supplied by a private company for 6 cents a thousand feet less than is charged in the larger city.

Nottingham and Sheffield are identically situated as regards coal supply. In Nottingham gas is supplied by the city; in Sheffield by a private company. Fifteen years ago the price of gas was the same in both cities. In Nottinham the price has gone up, in Sheffield it has gone down, until now it is 62 cents a thousand in the former and 34 cents in the latter.

..It is in the management of tramways that most credit is claimed for municipal trading experiments in Great Britain. Lord Avebury analyzes the so-called successes, and the result becomes quite another story.

There are in London two tramway systems, one north of the Thames, the other south of the river. The county council became possessed of both in 1900.

The capital value was approximately the same, $4,250,000 on the north, $4,480,000 on the south. The council leased the northern lines to a company and worked the southern lines itself.

During the period, the council has electirfied the southern lines, which has slightly interfered with their working, but the result of five years' operations in instructive. The fares have been the same on both.

The council figures out a profit for the five years on its lines of $119,500. During the same period the lessees of the northern lines have paid the city $958,000. But, as Lord Avebury points out, even the claims of the council to a profit of $119,500 will not bear examination.

The auditor of the Local Government Board has objected to the insufficiency of the sum set aside for renewals, etc., and to the method by which only one-third of the cost of street widening for tramways is charged to tramway account. The sum set aside for depreciation is only 1.1 per cent. The sinking fund amounts to only 2 per cent., so the total alowance for renewals and depreciation is only 3 per cent., a totally inadequate allowance according to ordinary business standards.

Moreover, nothing at all has been debited for central office charges, these expenses having been charged to the council's ordinary expenditure. If these proper deductions had been made, Lord Avebury points out, the imaginary profit would have been turned into a loss. But after this lamentable experience the council has decided not to lease the southern line to a company, but to take over the working of the northern lines itself.

The foregoing forms a very small part of the revelations which have recently been made in the matter of municipal trading in Great Britain. It need hardly be said that the effect, combined with the heavy increase in local taxation, has been to cause a sharp revulsion in public feeling.

GREATEST RAILROAD BUILDER

HOW J. J. HILL BLAZES THE WAY WITH A LOCOMOTIVE.

At Seventy Years, He Has 3,000 Miles Under Construction—His New Transcontinental in Canada—Practically Completed Through the Rockies—In Direct Opposition to C.P.R.—Will Have Four Lines Cross the Continent.

"Running surveys, grading lines, laying new track by hundreds of miles, boring through the wilderness with new railroads with civilization following in their wake—for thirty years J. J. Hill has been grinding along in this way regardless. All the figures and statistics show that he is the greatest railroad builder that ever lived and to-day, at 70 years of age, the astounding fact appears to be that he has not far from 3,000 miles of new railroad projected in one way or another and is calling upon his people for $150,000,000 cash and they are responding without a whimper," says the Wall St. Journal.

J. J. Hill to-day virtually has three transcontinental roads in the Great Northern, Northern Pacific and Chicago, Burlington & Quincy. The Burlington is scarcely a transcontinental, although of course it is one of the largest systems in the country. When the new Canadian transcontinental line is finished he should be in possession of four great transcontinental railway systems, which will all be woven together by hundreds of miles of lateral lines which will make the whole thing look like an immense gridiron.

Aside from any new lines now contemplated the Hill lines have about 3,000 miles under construction or projected now or completed since the last fiscal year. Of this the most important item is of course the new transcontinental road building in Canada.

Mr. Hill says that a large force of men is working on the road at present at the western end, although only the roughest kind of work is possible, but the construction will be pushed vigorously in the spring.

The line is already practically done from Vancouver through the Rocky Mountains. It will be pushed across the prairies of Alberta, Assiniboia and Manitoba to Winnipeg which will be the eastern terminus. The new line will be about 1,500 miles long and should be finished within the next two years.

This new transcontinental road will be owned by the Great Northern. Its importance to the Hill system could hardly be over-estimated. It will be directly competitive to the Canadian Pacific from Winnipeg to Vancouver and is retaliation on a gigantic scale for the temerity with which the Canadian Pacific built down to Spokane.

It is interesting to know in connection with this Hill-Canadian Pacific fight that if a new line is built from Fargo to Minot it will very closely parallel the "Soo" line (a Canadian Pacific line) almost its entire length.

It will be possible to throw freight from the Hill lines in Washington, Montana and even North Dakota, across into Canada and through to the east on the Canadian route, or it will be possible to route freight from the rapidly developing Canadian territories through into the United States for the American route. There are no state legislatures or any interstate commerce commissions in Canada.

The most important project of the Hill lines beside this is the line from Spokane to Pasco, 423 miles, half of which is now practically completed and the other half of which will be open for operation early next year.

Aside from the foregoing the Great Northern Railway has under construction at the present time about 500 miles of new line, most of which will be completed in the current fiscal year. The Northern Pacific and the Burlington have under construction several hundred miles of new line.

In addition all three Hill roads have been running surveys in various parts of the west and each line has various additions in contemplation.

Mr. Hill says it is an open question with him whether to double track the Great Northern or build a new railroad.

Mr. Hill's propensity for blazing the way through a new country with a locomotive headlight is pretty well known and it would not be surprising if this is the course he will follow now in relieving the congestion on the Great Northern Railway.

This does not necessarily mean that a new transcontinental road will be built from St. Paul to Puget Sound, but the idea is tantamount to the same thing. The proposition will depend very largely on the future growth of business in the Northwest.

The first step in the application of Mr. Hill's idea for relieving the congestion on the Great Northern will doubtless be a new line to connect St. Paul with the main line of the Great Northern in the western end of North Dakota. The most congested portion of the Great Northern is between Grand Forks on the Red River of the North around the north of Devil's Lake to Minot.

A new line from Fargo to Minot would not only completely relieve the congestion but also open up a new country.

It will surprise most people to know that J. J. Hill and the various roads which he dominates have under construction or projected to-day not less than 3,000 miles of new railroad in various parts of the country between the Mississippi river and the Pacific coast.

Coupled with this is the fact that in the past six years the Hill lines have put in operation nearly 2,500 miles of new line—a new transcontinental in itself.

The following table shows net increases in tracks and in miles operated of the Great Northern, Northern Pacific and the Chicago, Burlington & Quincy since the Hill lines took control:

	1906	1900	In.
Great Northern.			
Total tracks	7,763	6,416	1,347
Total miles operated	6,289	5,417	872
Northern Pacific.			
Total tracks	8,334	6,970	1,364
Miles operated	5,401	4,714	687
Chicago, Burlington & Quincy.			
Miles operated	8,608	7,817	791

BANK OF
NOVA SCOTIA
INCORPORATED 1832

Capital	- - - -	$3,000,000
Reserve Fund	- - -	$5,250,000

Head Office: HALIFAX, N.S.
General Manager's Office: TORONTO

A general banking business transacted

Savings Accounts opened by deposit of $1 or over. Interest added four times a year

FOR THE INFORMATION OF DEPOSITORS
This is the only Bank having its Head Office in Canada that submits its books and statements to examination by strictly independent auditors

ESTABLISHED 1873
THE STANDARD BANK
OF CANADA

DIVIDEND No. 65

Notice is hereby given that a dividend at the rate of Twelve per cent. per annum upon the Capital Stock of this Institution has been declared for the quarter ending 28th February next, and the same will be payable at the Banking House in this city on and after Friday, the 1st day of March next.

The Transfer Books will be closed from the 18th to the 28th February, both days inclusive.

By order of the Board,
G. P. SCHOLFIELD, Gen. Mgr.

Toronto, 23rd January, 1907.

THE BANK OF OTTAWA
Head Office: Ottawa, Ont.

Capital,	- - - - - -	$3,000,000
Rest and Undivided Profits,	- -	3,236,513

Branches and Agents throughout the Dominion of Canada.
Savings Department in connection with all Branches.

GEORGE BURN, General Manager

BANK OF MONTREAL

Notice is hereby given that a dividend of two and one-half per cent. upon the paid-up Capital Stock of this Institution has been declared for the current quarter, and that the same will be payable at its banking houses in this city, and at its branches, on and after Friday, the first day of March next, to Shareholders of record of 13th February.

By order of the Board,
E. S. CLOUSTON,
General Manager.
Montreal, 15th January, 1907.

THE WALL STREET JOURNAL
Founded 1882
Largest Circulation of any Financial Paper in America. $1 a month; $12 a year. DOW, JONES & Co., Publishers, 44 Broad St., NEW YORK, N. Y.

ADVICE TO BANK CLERKS.

Keep Abreast of the Larger Scope of Financial Affairs.

Some remarks by a well-known banking expert, Mr. Charles A. Conant, to the Baltimore Institute of Bank Clerks, will be of interest to the Canadian fraternity. While conditions are not the same in Canada as in the United States the bank clerk who studies the wider trend of financial matters is bound to profit by doing so.

Mr. Conant dwelt on the necessity for the extension of American banking interests, in view of the marked broadening of American trade.

The merchants and manufacturers of the United States, he said, were rapidly conquering the markets of Cuba, the Phillippines and Mexico, and were sharing in the increased trade of China, Japan and Latin-America. In order to obtain the best results in these fields, however, it is necessary to employ methods of banking and credit as efficient and acceptable as those employed by our foreign rivals. This was especially true in regard to foreign exchange and the character and length of credits extended in countries which had not yet accumulated a large stock of capital.

Thus far the education of American bankers in this respect has been neglected. There are few experts in foreign exchange outside of the foreign banking houses. The International Banking Corporation, which had been the pioneer of American interests in the Orient and in Panama, had been compelled to carry on its work very largely at the outset with English bankers trained in the Orient. If such institutions were to be equipped with American managers and clerks, it must be through the efforts of just such institutions as the bank clerks. They must have the co-operation of American capitalists. In all the oriental and southern countries foreign bankers were strongly intrenched.

The English colonial and foreign banks, mostly having headquarters at London, had a capital in excess of $300,000,000 and were able to rely upon the fixed deposits of English and Scotch investors for making loans and suporting important enterprises abroad. The Russo-Chinese Bank was seeking to establish a footing for Russian interests in the East, with the unconcealed support of the Russian Government. In Germany the chief joint stock banks set an example of harmony to American bankers, by combining to form the German-Asiatic Bank, while French capital had long maintained in its eastern possession the Bank of Indo-China.

New York, the speaker decleared, could not become an international market until she possesses bankers educated in every branch of the profession. She needed the adoption by her bankers of an enlighted policy toward the future organization of the money market in a way to avoid the disturbances of recent years. To this end there should be a proper currency system, the introduction of the practice of acceptances, and co-operation to prevent rates for money which were extravagant and fluctuated wildly.

To accomplish these things and place the United States upon a sound footing in their competition with foreign bankers and capitalists, it was necessary to study theory as well as practice. The man who could master both and apply them in their proper relations would be the banker who would dominate the future.

Canadian Stocks

Quotations of Securities listed on the Montreal and Toronto Stock Exchanges, with prices at closing on Friday of each week. In stocks listed on both Exchanges, prices quoted are those of the market in which a stock is the more active.

Active Stocks

Range for year 1905 High	Range for year 1905 Low.	Range for year 1906 High	Date	Low	Date	Friday, February 15. Ask	Bid	STOCK	Par Value	Outstanding Common Stock	Outstanding Preferred Stock	Bonds	Reserve	Last Dividend Date	Per cent.	Range for week ending Feb. 14, in market of activity First	High	Low	Last	Closing one year ago February 15 Ask	Bid	Sales week ending February 14
								BANKS.														
170½	155½	190½	Oct.	169½	Jan.		173	Commerce	50	10,000,000			5,000,000	1st Dec. s.-a.	3½ and bonus 1	178	178	178	178	180½	179½	20
270	248	283	Jan.	262½	*Dec.	260	251	Dominion	50	3,000,000			3,900,000	1st Jan. q.	3	265	265	263	°263		278	253
219	213	233	May	210	Dec.	217		Hamilton	100	2,470,120			2,470,120	1st Dec. q.	2½	°215	215	215	215	228½		8
242	226	254½	May	225	Dec.		223	Imperial	100	4,778,700			4,584,375	1st Feb. q.	2½	°224	224	224	224	248	247	7
172½	160	176	Oct.	160½	Jan.	170	166	Merchants	100	6,000,000			3,600,000	1st Dec. q.	2	169	169	168	168	167½	167	12
		202⅛	Mar.	192	Dec.		192	Metropolitan	100	1,000,000			1,000,000	1st Jan. q.	2							
230	220	230	Mar.	204½	†Dec.	220	213	Molsons	100	3,083,070			3,000,000	1st Jan. q.	2½	°215	215	212	212	228	226	21
261	250	261	Feb.	252¼	Sept.	255	250*	Montreal	100	14,400,000			11,000,000	1st Dec. q.	2½	255	255	253	253	260	259¾	11
285	261¼	297½	Nov.	273	July.			Nova Scotia	100	3,000,000			5,250,000	1st Jan. q.	3	°292¾	292¾	292¾	292¾	290	286	36
230	215	233	May	222	Dec.	225		Ottawa	100	3,000,000			3,000,000	1st Dec. s.	5					227	226	
143	127½	145	June	139½	Jan.	140	135*	Quebec	100	2,500,000			1,150,000	1st Dec. q.	1¾	°137	137	136	136	142½	141½	7
229	209¼	247½	Nov.	222	Mar.			Royal	100	3,900,000			4,390,000	1st Jan. q.	2½	238¾	238¾	238¾	238¾	232	225	5
132½	131½	155¼	Mar.	133	Dec.	131	130¾	Sovereign	100	3,976,320			1,255,950	16th Nov. q.	1½	132	132	131	131	*147	146	285
238	218	250¼	June	223	†April	235	230	Standard	50	1,491,825			1,591,825	1st Dec. q.	3	230	230¼	230	230	237		61
246	226	251	Feb.	222	Dec.	235	230	Toronto	100	3,954,640			4,454,640	1st Dec. s.	5	232	235	232	235		247	44
146	133	155	Mar.	138½	*Dec.		139	Traders	100	4,322,537			1,900,000	1st Jan. q.	1¾	°140	140	139½	139½		153	7
147¼	139¾	158	Oct.	143¼	Jan.			Union	100	3,000,000			1,500,000	1st Dec. s.	4						148	
								TRANSPORTATION.														
177	131	201	Dec.	155¾	May	186	185¾	Canadian Pacific Railway	100	121,680,000	37,853,333	89,200,459		1st Oct. s.	3½	182¾	185¾	182¾	185	173½	172½	420
96½	75½	102	Feb.	79¼	Dec.	80	79½	Detroit United	100	12,500,000		20,387,000	1,431,155	1st Feb. q.	1¼	79½	81¼	79½	80¼	100⅛	100	1,386
41⅛	10⅛	21	Aug.	16¾	July			Duluth	100	12,000,000	10,000,000											
110¼	100	108	Jan.	100	Oct.	105	100	Halifax Electric	100	1,350,000		00,000	195,000	1st Jan. q.	1½					106	103	
38	14	50	Aug.	35	Mar.			Havana Electric	100	7,500,000		8,..1,036				45	45	45	45	38	34	65
97⅞	79	97⅞	May.	79	Jan.	85	83	Havana Electric, preferred	100		5,000,000			15th Jan. q.	1					84	83	
		101½	Feb.	88½	*Dec.	94		Illinois Traction, preferred	100	5,810,000	2,240,000	11,241,500		1st Jan. q.	1½	93¼	94¼	92½	92½	98½	98	205
145	189½					125	124½	Minn., St. P. and Sault Ste. Marie	100	14,000,000	7,000,000	44,295,000		15th Oct. s.	2	116	122¾	115½	121	158	155	735
240½	212	284	Aug.	211	†Dec.	230	224	Montreal Street	50	7,000,000		9,609,367	907,623	1st Feb. q.	2½	°227	228	225	225	271	270½	208
83	57½	110½	Nov.	80½	Jan.			Northern Navigation	100	840,000			71,184	19th Jan. a.	6+1½	92	92	92	92	89¾		25
		33¼	Feb.	27	*Dec.	30	28	North Ohio Traction	100	6,900,000		6,375,000		15th Dec. q.	¾					32		
76½	61½	88¼	Oct.	69¾	Jan.	81	79½	Richelieu and Ontario	100	3,132,000		222,406	254,660	1st Dec. q.	1½	79¼	79¾	79	79¾	84	83	191
		48	Nov.	38½	Oct.	48	47⅞	Rio de Janeiro	100	21,993,900		20,900,000				46⅝	48	46⅝	48			951
142⅞	106½	146	Feb.	125	Oct.	137	136⅞	Sao Paulo	100	7,500,000		5,500,000		1st Jan. q.	2	133	135	132½	135	144	143	357
35½	21	36¼	Jan.	25	Dec.	28	27	Toledo Railway	100	12,000,000		10,854,000		2nd Nov. s.	1	27¼	28	27¼	28	35	34	57
112½	103	126	Mar.	112	*Dec.	113½	113	Toronto Railway	100	8,000,000		3,613,000	1,918,322	1st Jan. q.	1½	114	114	112½	113½	118½	118	445
		95	Nov.	88½	*Dec.	104½		Tri-City, preferred	100	9,000,000	2,600,000		6,464,000	1st Nov. q.	1½	90	90½	90	90½			37
95¾	78	92	Mar.	80	Dec.			Trinidad Electric	100	1,164,000			720,000	10th Jan. q.	1¼					92½		
122½	104¾	122¼	Jan.	102½	Dec.	104½	104¼	Twin City	100	18,000,000	3,000,000	15,566,000	1,010,205	15th Nov. q.	1¼	103¾	104	103½	104	117½	117⅛	440
192½	114½	190	Mar.	160	Oct.	180		Winnipeg Electric	100	4,000,000		3,500,000	686,934	1st Jan. q.	2	175	180	178	180	190		709
								TELEGRAPH, LIGHT AND POWER.														
162	149	158¾	Feb.	145	*Dec.			Bell Telephone	100	9,000,000		2,325,000	3,132,876	15th Jan. q.	2	141	142½	141	142½	158½	156	78
214	206	209	Mar.	200	*Oct.		201	Consumers Gas	50	2,500,000			973,155	1st Feb. q.	2½	201½	201½	201½	201½		207½	27
60	37	77⅛	June	57⅞	Jan.	73½	73	Mackay, common	100	41,380,400				1st Jan. q.	1	°72	74½	°72	73½	60¾	60½	1,408
76½	71¼	76⅛	June	68	Dec.		69	Mackay, preferred	100		50,000,000			1st Jan. q.	1	70	70	69¾	70	74⅞	74½	179
93	77¾	99½	Nov.	86	May	91¼	90½	Montreal Power	100	17,000,000		846,000		15th Nov. q.	1¼	90	91¾	90¼	90⅞	93⅜	93¼	503
70	66¾	70	Jan.	47½	Oct.	57¼		Mexican Light and Power Co.	100	13,600,000		12,000,000				54	57½	54	57	68	66½	832
162¼	145½	171	Nov.	152	July	160		Toronto Electric Light	100	2,991,910		1,000,000	300,000	1st Jan. q.	2						159	
								INDUSTRIALS & MISCELLANEOUS.														
178	136⅞	155	Jan.	130	Oct.	132	129½	Canadian General Electric	100	4,700,000	300,000		1,671,082	31st Dec. q.	2½	129⅞	130¼	129¾	130¼	151	149	283
28¾	16¾	34¼	April	20½	Nov.	22¼	22	Dominion Steel, common	100	20,000,000		10,044,833				22¾	22¾	21¾	21¾	31⅞	31½	1,755
75¾	60¼	83½	May	60	Nov.	58	55½	Dominion Steel, preferred	100	5,000,000						58	59	55	55	82	81	248
86½	59⅞	84½	Feb.	58	Nov.	61	60	Dominion Coal	100	15,000,000						62	62	62	62	82¼	81½	305
119	114	122	Mar.	112	Nov.			Dominion Coal, preferred	100	3,000,000		5,691,198		1st Feb. s.	3½					122½	120	
104½	80	109¾	Mar.	95¼	Nov.	100	98	Dominion Textile, preferred	100	7,500,000	1,940,000		b 6,966,660	15th Jan. q.	1¾	98	98	97½	98	106	105	47
118	88	100	Sept.	89	Jan.			Lake of Woods Milling	100	2,000,000				3rd Oct. s.	3	90	90	90	90	100	97½	5
122	110	115	Sept.	108	Dec.			Lake of Woods Milling, preferred	100		1,500,000			1st Dec. q.	1¾	109	110	109	110	112	109¾	53
110	60	114	Jan.	97	Oct.	101	97½	Montreal Steel	100	700,000				8th Jan. bal.	4½						116½	
119	99	115	Feb.	106	Nov.			Montreal Steel, preferred	100		800,000			8th Jan. q.	1¾	°105	105	105	105		114½	2
69½	51¼	74½	Feb.	60	May	73¾	73	Nova Scotia Steel, common	100	5,000,000			b 3,838,000			72	72¼	72	72	71½	70	490
122	109¾	125	Aug.	118	*Jan.			Nova Scotia Steel, preferred	100		1,030,000			15th Jan. q.	2					122	118	
							250	Ogilvie Flour	100	1,250,000		1,000,000		Sept. a.	7							
140	124½	130	Jan.	123	Dec.	122	118	Ogilvie Flour, preferred	100		2,000,000			1st Dec.	1¾					130	127	
							282½	Nipissing Mines Co.	5	6,000,000				20th Jan. q.	3+2	242	260	240	260			250

*Ex-div. †Ex-allotment ° Less than ten shares.

Inactive Stocks

Latest price Ask	Bid	STOCK	Par Value	Common Stock Outstanding	Bonds or Preferred Stock Outstanding	Reserve	Last Dividend Date	Per cent.	Range for year 1906 High	Low	Last Sale
		BANKS									
	150½	British North America	243	4,866,666		2,141,333	5th Oct. s.	3	146⅞	141	148½
163		Eastern Townships	100	2,939,200		1,860,000	1st Jan. q.	2	163¼	160	162
148	xDxR	Hochelaga	100	2,000,000		1,600,000	1st Dec. q.	2	163	†144	154
		Nationale	30	1,633,089		600,000	1st Dec. q.	1¾	124	121	120
		LOAN AND TRUST									
	122	Agricultural Loan	50	630,200		265,000	2nd Jan. s.	3			
127	124	Canada Landed	100	1,004,000		505,000	2nd Jan. s.	3 plus 1	125	117½	125
125	125½	Canada Permanent	10	6,000,000		2,450,000	1st Jan. s.	3	131	124	128½
	160	Central Canada	100	1,500,000		1,050,000	1st Jan. q.	2	172	160	
75		Col. Investment, preferred	10	2,398,701		119,808	1st Jan. s.	3	89	75	74
	71	Dominion Savings	50	934,597		80,000	31st Dec. s.	2	73	70	72
	122	Hamilton Provident	100	1,100,000		490,000	2nd Jan. s.	3	124	120	122
188	184	Huron and Erie	50	1,900,000		1,525,000	2nd Jan. s.	4½	188½	183	185
		Imperial Loan	100	735,467		65,000	2nd Jan. s.	2½	70	70	70
	124	Landed Banking	100	700,000		310,000	2nd Jan. s.	3	125	121	122
107		London and Canada Loan	50	1,000,000		225,000	2nd Jan. s.	3	111¼	105	108½
118		London Loan	50	679,450		116,000	1st Jan. s.	3			
		Montreal Loan	25	500,000		400,000	15th Sep. s.	3½	138	*133¼	136
		North of Scotland	£10	£50,000		£35,000	5 s. plus	2½			
	158½	National Trust	100	1,000,000		450,000	2nd Jan.	1¾	157	155	157
	134	Ontario Loan and Debenture	50	1,200,000		655,000	2nd Jan. s.	3¼	140	128¼	135
	90	Real Estate Loan	40	373,720		65,000	2nd Jan. s.	2½ plus ½	90	85	89½
		Toronto General Trusts	100	1,000,000		325,000	2nd Jan. s.	3¾	160	140	*150
	110	Toronto Mortgage Co	50	724,550		290,000	2nd Jan. s.	3	115½	105½	111
		Toronto Savings	100	1,000,000		550,000	1st Jan. q.	1½			

Latest price Ask	Bid	STOCK	Par Value	Common Stock Outstanding	Bonds or Preferred Stock Outstanding	Reserve	Last Dividend Date	Per cent.	Range for year 1906 High	Low	Last Sale
		OTHER COMPANIES									
		British America Assurance	25	848,226		191,787	3 % passed		98	97	97
		British Columbia Packers, pfd	100	1,511,400	1,270,000		3½ for 6 mos. May. 20, '05		80½	59¾	80
58	52	Canada Col. Cotton	100	2,700,000	b 2,000,000		15 Dec.	1	60	45	57
		Canada Life Assurance	400	1,000,000			1st Oct.	4	163	163	155
		Canadian Converters, Limited	100				Feb. q.	1	60	60	61
		Canadian Salt	100	500,000			1st Jan. q.	2	110¼	*108	108
		Canada North-West Land	12½	733,841				a	500	400	480
	36	City Dairy	100	565,000		7,500	31st Dec. q.		38	21½	37
90		City Dairy, preferred	100	271,620			2nd Jan.	1¾	94¼	*82¼	89
		Confederation Life Association	100	100,000			1st Jan. s.	7½	285	272½	285
	120	Dominion Telegraph	50	1,000,000			15th Jan. q.	1½	121	*119	120
		Hamilton Electric Power, pfd	100	1,700,000	2,895,700		15th Jan. s.	2½			
		Imperial Life Assurance	100	450,000			1st Jan. q.	1½	149	149	185
		Intercolonial Coal	100	500,000	b 242.500	90,474	Sept. s.	3½	90	84	85
		Intercolonial Coal, preferred	100		219,700		Sept. s.	3			100
		Laurentide Paper	100	1,600,000			1st Feb. s.	3	107½	89½	93
112		Laurentide Paper, preferred	100		1,200,000		1st Jan. q.	1	114¾	100½	110
		London Electric	100	404,610		75,000	1st Dec. s.	3	95	89¾	89¾
		London Street	40	500,000	b 550,000		31st Dec. s.	3¾	97¼	97¼	97¼
129	124	Montreal Cotton	100	3,000,000	b 350,000		15th Dec. q.	1¾	135	122	128
162	160	Montreal Telegraph	40	2,000,000			15th Jan. q.	2	171	162	160
		Niagara Navigation	100	701,300	b 111,000	98,000	2nd Jan. s.	4	133¾	117	122
	75	Niagara, St. Cath. and Toronto	100	925,000					80	75	80
		Ottawa Electric Railway	100	814,800		192,280	2nd Jan. q.	2			
	105	Western Assurance	20	1,500,000		419,836	passed		98	96	96
		Windsor Hotel	100	600,000	b 1,100,000		Dec. s.	4 plus 1	*105	100	107½

NOTE.—s.—semi-annual; q.—quarterly; plus indicates bonus; b. means bonds. °—Less than ten shares. a—$12 50 per share return of capital payable March 15, 1907.

THE COBALT MINES

(Continued from Page 1.)

W. J. Trethewey has issued a writ claiming $100,000 from W. G. Trethewey by way of commission on stock valued at $600,000, the sale of which was negotiated by the plaintiff with Clarence J. McCuaig.

An Ottawa syndicate has just disbanded. Beautiful samples from gold quartz were brought down from Larder Lake, about a month ago, and at once it was decided to form a syndicate to purchase the property, if upon examination it turned out all right. The purchase price was to be $50,000 cash and 60,000 shares in a company to be capitalized at $1,000,000. Seventy prominent Ottawa men went into the pool, each putting up $1,000, but it was determined to make a thorough examination of the property before taking up the option. Accordingly an expert geologist, Dr. Wilson, of Montreal, was sent to Larder Lake, and along with him went Alec. McDonald of Klondike fame, and Mr. Newton J. Kerr, city engineer of Ottawa, with a staff of men. They remained on the property for ten days, putting on shots here and there and bagging ore, in order to have it properly assayed. The result of the assays, which were made by Milton Hersey, the analytical chemist of Montreal, have been received. Three samples of ore showed not a trace of gold or silver, while the other two each averaged 15 cents to the ton. The result was a meeting of the subscribers, and a decision not to take up the option, and a levy of $8.50 upon each to pay the expenses of the examination of the property.

The circumstances surrounding the recent discovery on the Rochester mines are thus recorded: "While blasting in an open cut on the main vein, native silver was found imbedded in the calcite and heavily shot through the wall rock for a foot on either side, and it occurs in the heavy leaf form. This vein will average five inches in width and carries calcite, galena, smaltite bloom and silver. It occurs on a contact between Diabese and Keewatin, and has been stripped and traced for 250 feet. On this vein there is an eighteen-foot shaft sunk, and the vein matter between the foot and hanging walls is over four feet wide. From this five-inch vein an essay was taken from the 18-foot depth, and this ran 916 ounces to the ton in silver."

Mr. M .T. Culbert, who has been the superintendent at the O'Brien since the O'Brien's entrance into camp has resigned to become superintendent of the Temiskaming.

Mr. Leyson will remain in the camp, but has not decided yet what his connections will be.

THE BOND MARKET

TRANSACTIONS FOR THE WEEK ENDING FEB. 15

BONDS	Rate	Closing Asked	Bid	Sales Week Feb. 14
Bell Telephone Co.	5			$
Can. Colored Cotton Mills Co.	6	96	94	
Commercial Cable Co.	4			
Dominion Coal Co.	5	99½		2,000
Dominion Cotton Mills Co.	6		95	23,000
Dominion Iron & Steel Co.	5	79½	78	19,000
Dominion Textile Co., Series A.	6	94	91	250
Do. Do. Series B.	6		91	
Do. Do. Series C.	6	93	91	500
Do. Do. Series D.	6			
Electrical Development Co.				
Halifax Electric Tramway Co.	5			
Havana Electric Railway Co.	5	93		
Intercolonial Coal Co.	5			
Lake of the Woods Milling Co.	6			
Laurentide Paper Co.	6	110¼		
Mexican Electric Light Co.	5	78¾	78½	37,000
Mexican Light & Power Co.	5	83¼	83	35,500
Montreal Light, Heat & Power Co.	4½			
Montreal Street Railway Co.	4½			
Nova Scotia Steel & Coal Co. 1st Mtg.	6			
Do. Do. Cons. Mtg.	6		100	
Ogilvie Flour Mills Co.	6	118	116	2,000
Price Bros. Co.	6	105	104	
Rio de Janeiro Tramway, L. & P. Co.	5	78½	78	163,000
Saint John Railway Co.				
Sao Paulo Tramway L. & P. Co.	5	94¾	94¼	66,500
Winnipeg Elect. Street R'y. Co.	5			
Montreal Water & Power Co.	5			
Montreal City, Stock	7			
Do. Stock	4			1,500

CURB QUOTATIONS.

Week ending Feb. 15th, 1907.

NAME	Stock Issued.	Acreage.	High	Low	Closing bid	Sales Week Ending Feb. 14th
Abitibi & Cobalt Mining Co.			.39	.35	.35	950
Beaver Silver Cobalt Mining Co.	500,000	20	.60	.60	.60	850
Buffalo Mines Co.	900,000	40				
Cobalt Silver Queen	1,500,000	58	2.24	2.12	2.14	4,350
Cleveland Cobalt Silver Mines	1,000,000	114				
Coniagas	4,000,000	40	4.40	4.40	4.25	50
Empress Cobalt	500,000	40	.91	.88	.90	1,250
Foster Cobalt Mining Co.	1,000,000	40	2.32	2.10	2.28	12,856
Green-Meehan Mining Co.	1,500,000	40	1.30	1.03	1.13	7,150
Kerr Lake Mining Co.	3,000,000	52	4.50	4.50		100
McKinley-Darragh-Savage Mines	2,000,000	120				
Peterson Lake	2,500,000	225	.50	.50	.48	3,100
Red Rock Silver Mining Co.	1,000,000	30			1.05	
Rothschild Cobalt Co.	500,000	40				
Silver Bar Mining Co.	500,000	25	.41	.40	.37	4,200
Silver Leaf Mining Co.	5,000,000	40	.20	.19	.19	2,950
Stanley Smelters	500,000				.99	
Temiscamingue Mining Co	2,500,000	210			.90	
Trethewey	1,000,000	40	1.69	1.58	1.62	3,800
University Mines	1,000,000	56				

UNLISTED SECURITIES.

NAME	Stock Issued	Bonds and Pref. Stocks	High	Low	Closing bid	Sales Week Ending Feb. 14th
Brit. Col. Packers' Ass'n. Com.	1,511,400	$1,270,000				
Canadian Gold Fields					.06½	
Consolidated Mining & Smelting	4,698,886					
Consolidated Rubber Bonds	2,141,300	822,200 / 1,439,000	91.25	91.00	90.00	7,000
Canada Cycle & Motor Co.	800,000		30.50	30.25		334
Dominion Iron & Steel, 2nd Mtg.	20,000,000	2,178,000			85.00	
Dominion Park Bonds					80.00	
Havana Central Bonds	6,250,000	6,250,000	77.00	77.00	75.00	1,000
Illinois Traction Com.	5,810,000	3,214,300				
Mexico Tramways	6,000,000		64.00	62.00	84.75	150
Quebec Railway, L. & P. Co.	2,500,000	2,500,000b			38.00	
Rogers, Wm. A., Com.	750,000	900,999				
Rogers, Wm. A., Pref.	900,000					
Shawinigan L. & P.	6,500,000	4,000,000b	43.50	43.50	43.00	100
Tri-City Railway & Light Co.	9,000,000	2,600,000				
Union Bank of Halifax						
Western Bank of Canada	555,000					
Yukon Loan & Trust Co., Com.					115.00	

b Bonds